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REVIEW OF TECHNICAL COOPERATION ACTIVITIES OF UNCTAD

Report by the Secretary-General of UNCTAD

Annex 1: Review of activities undertaken in 1999

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All references to dollars ($) are to United States dollars.

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Amounts in brackets indicate a negative value.
IALA means "Inter-Agency Letter of Agreement".
OPC means "operationally but not financially completed".
The asterisk (*) following the project number indicates that UNCTAD acted as associate agency.

Details and percentages do not necessarily add up to totals, owing to rounding.

The financial data in the tables on projects reflect the situation as at 31 December 1998. Occasionally, total expenditures exceed total budget. Early in 1999, budget figures were corrected to reflect correct income. The negative amounts in the 1998 expenditures column pertain to the adjustments of prior year accounts and/or savings on the liquidation of prior years obligations.

Abbreviations

ALADI	Latin American Integration Association
APEC	Asia-Pacific Economic Cooperation Forum
BTI	Bureau du Trafic International
CAPAS	Coordinated African Programme of Assistance in Services
CDM	Clean Development Mechanism
COMESA	Common Market for Eastern and Southern Africa
CS	cost sharing
DANIDA	Danish International Development Agency
DESA	Department of Economic and Social Affairs
DFID	Department for International Development
DMFAS	Debt Management and Financial Analysis System
DSE	German Foundation for International Development
DSM	Debt Sustainability Model
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of Western African States
EISADARM	Eastern and Southern African Initiative in Debt and Reserves Management
FDI	foreign direct investment
FTAA	Free Trade Area of the Americas
GATS	General Agreement on Trade in Services
GSP	Generalized System of Preferences
GSTP	Global System of Trade Preferences among Developing Countries
ICME	International Council on Metals and the Environment
IDRC	International Development Research Centre
IMF	International Monetary Fund
IPF	indicative planning figure
IRSG	International Rubber Study Group
ISO	International Organization for Standardization
IRU	International Road Transport Union
ITC	International Trade Centre UNCTAD/WTO
ITU	International Telecommunication Union
JITAP	Joint Integrated Technical Assistance Programme for Selected Least Developed and Other African Countries
JOBMAR	On-the-job Training in Shipping and Ports
LDC	least developed country
MEFMI	Macroeconomic and Financial Management Institute of Eastern and Southern Africa
MENA	Middle Eastern and North Africa
MICAS	Microcomputer-based Commodity Analysis and Information System

NIE	newly industrialized economy
OAU	Organization of African Unity
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
PHARE	European Community assistance programme for the reconstruction of the economies of Central and Eastern Europe **(Originally: "Poland and Hungary: Assistance to the Reconstruction of the Economy")**
POEMA	Programme on Poverty and Environment in Amazonia
RBP	restrictive business practices
SAARC	South Asian Association for Regional Cooperation
SADC	Southern African Development Community
SAIC	Science Application International Corporation
SCFB	Société de Chemins de Fer de Burkina
SDR	special drawing right
SICF	Société Ivoirienne des Chemins de Fer
SIDA	Swedish International Development Agency
SIECA	Permanent Secretariat of the General Treaty on Central American Economic Integration
SITDC	SADC Industry and Trade Coordination Division
SMART	System for Market Analysis and Restrictions on Trade
SPPD	support for policy and programme development (UNDP)
SPR	Special Programme Resources (UNDP)
STS	Support for Technical Services (UNDP)
TCR	Tanzanian Railways Corporation
TRAC	targets for resource assignments from the core (UNDP)
TRAINS	Trade Analysis and Information System
UDEAC	Central African Customs and Economic Union
UEMOA	Union économique et monétaire ouest-africaine
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNFIP	United Nations Fund for International Partnership
UNIDO	United Nations Industrial Development Organization
UNITAR	United Nations Institute for Training and Research
USAID	United States Agency for International Development
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

Introduction

1. This annex provides a description of the main technical cooperation projects and programmes undertaken by UNCTAD in 1999. It is presented, as far as possible, in accordance with the structure of the divisions/branches of the secretariat responsible for backstopping the projects or programmes concerned. A list of individual projects implemented by each organizational unit follows the corresponding narrative.

Review of activities by programme area

A. Division on Globalization and Development Strategies

1. Macroeconomic and development policies

(a) Technical support to the Intergovernmental Group of 24

2. ***Development context:*** The international monetary and financial system has a decisive impact on the interdependence between international trade, finance and development, as it contributes to shaping the international environment for development and national macroeconomic policies in individual countries. The role of the Intergovernmental Group of 24 (G-24) is to strengthen the contribution of the developing countries in discussions and negotiations on issues related to the design and functioning of the international monetary and financial system.

3. ***Objectives:*** The project aims at strengthening the G-24 in its efforts to build the necessary capacity in developing countries for them to make meaningful contributions to the design of the international monetary and financial system, and to strengthen their ability to cope with the consequences of interdependence.

4. ***Features/output*:** The G-24 was provided with technical studies, prepared by internationally renowned experts, for the preparation of discussions and negotiations on international monetary and financial issues in the IMF's Interim Committee, the Joint IMF/World Bank Development Committee and other bodies. The papers were first presented to the Technical Group of the G-24 and then to the meetings of G-24 Deputies and Ministers, before being published in a special series. In 1999 drafts of 15 studies were submitted to the G-24.

5. The topics covered were: orderly workouts for cross-border private debt; the IMF and the World Bank in the new international financial architecture; the role of the BIS in international financial governance; standards for transparency and banking regulation and supervision; the

adequacy of international liquidity in the current international economic environment; implications of the United States conditions regarding the eleventh quota increase in the Fund; recent issues in exchange-rate policies for developing countries; an update on the effects and potential of the HIPC Initiative; country ownership and development cooperation; evaluation of ESAF; social funds in stabilization and adjustment programmes; developmental costs and benefits of foreign direct investment; strengthening developing countries in the WTO; and interests, options and possible strategies of developing and least developed countries in a new round of multilateral trade negotiations.

6. In addition to the regular meetings, which benefited not only from the participation of the consultants preparing research papers under the project, but also from presentations by, and discussions with, independent experts, two special meetings were held in connection with the project. In January, a brainstorming meeting on the future of the international financial system brought together senior experts from all regions of the world, the World Bank, the IMF and UNCTAD. It provided an opportunity for an exchange of views on the technical and political possibilities of reform in key areas of the international monetary and financial system, with attention being focused on the interests of developing countries and the search for a mechanism to prevent financial crises in the future. The discussions helped the G-24 to identify priorities for, and options of, developing countries in their efforts to contribute constructively to the debate on a new international financial architecture. In November, a workshop on "Developing Countries and the New Round of Multilateral Trade Negotiations" was held in cooperation with the Center for International Development at Harvard University. Twenty-five senior representatives of developing and transition countries, including some at the level of Minister, and 30 experts from academia, international organizations and development agencies discussed institutional capacity in developing countries to implement international trade agreements, dispute settlement procedures and transparency, trade-related intellectual property rights, special and differential treatment for least developed countries, special issues in trade in services and in agriculture, and labour and environmental standards in relation to trade.

7. ***Results:*** Eighteen research papers, some of which had been submitted to the G-24 meetings in 1998, were published in Volumes X and XI of *International Monetary and Financial Issues for the 1990s*. Moreover, a paperback version of the book *Capital Account Regimes and the Developing Countries*, including seven studies that had been submitted to the G-24 in previous years, was published by Macmillan Press. The project has contributed significantly to strengthening the coherence of the G-24 and to enhancing the understanding in developing countries of current and upcoming issues subject to discussion and negotiation in the international financial institutions, and the capacity of the G-24 countries to contribute constructively to such discussions. It has also contributed directly to the debate among policy makers, staff of international institutions and academia.

(b) *Economic development and regional dynamics in Africa: lessons from the East Asian experience*

8. ***Development context:*** The rapid outward-oriented development in the newly industrialized economies (NIEs) in East and South-East Asia and the lessons that other countries could draw from that successful experience have been at the centre of the debate on development policy in recent years. The outbreak of the financial crisis in the region renewed the debate of the NIEs' development strategy. Therefore, an thorough analysis of the East Asian experience before, during and after the crisis can contribute to the design of adequate policies in other developing countries. In the light of the recent financial crisis, the policy elements dealing with the financing aspect of development strategy are receiving particular attention.

9. ***Objectives:*** The project aims at enhancing the understanding of policy makers in developing countries and countries with economies in transition of the factors that have contributed to successful development in East and South-East Asia, but also of the remaining weaknesses and newly emerging problems in the NIEs.

10. ***Features /output:*** In line with the objective of the project, research was started on various issues, including the management of the capital account; corporate governance and patterns of enterprise finance; public finance and debt management. These studies, which draw on country and regional experiences, will be finalized in the course of 2000 and feed into other subsequent technical cooperation activities.

11. ***Results:*** The final drafts of the research papers, on which work was started in 1999, will be circulated in the course of 2000. They are planned to be submitted to a seminar for African policy makers at the beginning of 2001 and also provide inputs for the preparation of the *Trade and Development Report*, as has been the case with other studies in the past. In 1999, Part Two of the *Trade and Development Report 1998* - on "African Development in a Comparative Perspective" - which was largely based on research papers prepared under this project, was updated and submitted for commercial publication in 1999. This will lead to wider dissemination of the research carried out under the project and contribute to the ongoing debate on development policies for Africa among policy makers, academics and civil society.

2. Globalization, development and debt management

a. *Globalization, finance and sustainable development*

(i) Development of a global greenhouse gas emissions trading system

12. ***Development context:*** This project is in response to the decision in Article 17 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC). It focuses on providing needed assistance to Governments and other international stakeholders to formulate and continue with the development of a greenhouse gas emissions trading system.

13. ***Objectives:*** This project continues to provide ongoing support to interested Governments, corporations and non-governmental organizations in the development of, among other things, technical assistance, and capacity building for developing countries and economies in transition. It also contributes to supporting and furthering research on the Clean Development Mechanism and emissions trading.

14. ***Features/output/results:*** The main outputs of 1999 included: (i) the publication and extensive distribution (2000 copies) of the research report "International Rules for Greenhouse Gas Emissions Trading: Defining the Principles, Modalities, Rules and Guidelines for Verification, Reporting and Accountability" (UNCTAD/GDS/GFSB/Misc.6), accompanied by the Executive Summary (UNCTAD/GDS/GFSB/Misc.6/Executive Summary); (ii) preparation of the joint research report (UNCTAD, UNDP, UNEP and UNIDO) on the "Clean Development Mechanism" (CDM), which is based on the deliberations of the Ad Hoc Working Group of the CDM; (iii) preparation of a research report on "Voluntary Participation by Developing Countries"; (iv) preparation of a research report on the "Size of the Carbon Market"; and (v) the preparation of a "Comprehensive Emissions Trading Manual", an evolving manual to be used for workshops in developing countries and economies in transition.

15. ***Other activities included:*** The "Regional Workshop on Greenhouse Gas Emissions Trading for Countries with Economies in Transition", held in Moscow, Russian Federation, in September 1999. The objective was to improve awareness, share experiences, and identify needs for capacity building in countries in transition. In addition, there was participation in discussions and negotiations at the UNFCCC subsidiary body meetings (June 1999, Bonn, Germany) and the Fourth Conference of the Parties to the UNFCCC (November 1999, Bonn, Germany); and the preparation and publication of the quarterly newsletter, *Global Greenhouse Emissions Trader*. A number of other meetings were attended in order to contribute to the progress of setting up an international emissions trading system.

(ii) Capital market development in Africa

16. ***Development context:*** Developing countries are faced with an international environment of increasing reliance upon private financing of development, given the ongoing trend towards declining volumes of official development assistance. Therefore, the development of effective mechanisms for domestic resource mobilization in developing countries is likewise becoming increasingly critical. A number of African countries have initiated efforts within the last decade to develop domestic capital markets which would serve, *inter alia*, to mobilize domestic and foreign financial resources. UNCTAD is cooperating with the Economic Commission for Africa (ECA) on a project for capital market development in Africa which seeks to support these countries' efforts in strengthening the process of development of domestic capital markets.

17. ***Objectives:*** The project aims to assist African countries that are seeking to develop their domestic capital market in doing so. The project envisages the provision of targeted training seminars and study tours, and the preparation of several policy-oriented studies, and otherwise seeks to address specific requests for technical assistance.

18. ***Output/results:*** During 1999 two major activities were undertaken as part of the project. Two fact-finding missions were undertaken in July and September respectively in order to assess the state of capital market development in various African countries and help determine technical assistance requirements. The mission in July visited South Africa, Botswana, Malawi and Zambia and the one in September visited Ghana, Nigeria, Cameroon and Côte d'Ivoire. The second major activity was the organization of a High-Level Policy Workshop in Addis Ababa, Ethiopia, in November to gain wider country representation for consideration of technical assistance needs of African countries with regard to capital market development. On the basis of these missions and the workshop, areas in which the project could provide technical assistance were identified and a programme of assistance is being prepared.

b. *The DMFAS Programme*

19. ***Development context:*** The scant attention paid by many developing countries to the basic functions of debt management was one of the contributing factors to the debt crisis of the 1980s. These basic functions include: (a) the compilation of accurate and up-to-date records on all external loans; (b) full awareness of the timing and amounts of debt-servicing obligation; and (c) the possibility of projecting the impact of foreign borrowing decisions of various entities on the overall debt profile and balance of payments.

20. ***Objectives:*** The objectives of the Debt Management and Financial Analysis System (DMFAS) Programme are: to help developing countries and countries in transition to develop appropriate

administrative, institutional and legal structures for effective debt management; to establish an adequate information system, with detailed and aggregated data on loan contracts, past and future disbursements, and past and future debt service payments; to improve national capacity to define and select appropriate debt strategies; and to increase national capacity to record grants and projects financed from external resources, thereby contributing to aid management.

21. ***Features:*** The core of the DMFAS technical cooperation package is the provision of an effective debt management framework analysis and a computer-based debt management system. This system is usually installed in central banks or ministries of finance within the framework of a technical cooperation country project, funded by UNDP, other multilateral or bilateral donors, or sometimes Governments themselves.

22. The assistance given under the Programme has three main features:

(a) Advisory services, including needs assessments and advice on technical, administrative, legal and institutional debt management issues, and assistance in software installation and maintenance;

(b) Software designed to meet the operational, statistical and analytical needs of debt managers and bodies involved in elaborating external debt strategies; and

(c) Training in the use of the software and in debt management issues in general.

23. With around 50 active country projects and total yearly extrabudgetary expenditure of around $2.3 million per year, the DMFAS Programme is one of the main technical cooperation programmes of UNCTAD.

24. In response to high demand from countries currently cooperating with the DMFAS Programme, UNCTAD regularly organizes regional and interregional workshops and seminars pertaining both to current debt management topics and trends and to the advance use of the DMFAS system. These events enhance the understanding of debt management problems in developing countries and in countries with economies in transition, in accordance with the Midrand Declaration adopted by UNCTAD IX in May 1996.

25. DMFAS, which represents more than 15 years of cumulative experience in the area of debt management, is a state-of-the-art debt management system, and is currently the most widely used standard system in the world. Over the last five years, the DMFAS Programme has more than doubled its client base to more than 50 countries. The long- and medium-term debts that are now being or are to be managed by DMFAS amount to more than $520 billion and represent around

30 per cent of the debts of this group of countries. It is expected that this expansion will continue and that the Programme will be managing a client base of more than 60 countries.

26. ***Output/results/impact:*** In 1999, activities were focused on the continued implementation of the new version of the system (DMFAS 5.0/5.1), which is replacing the previous DMFAS 4.1Plus version. The new version, which is available in English, French, Russian and Spanish, has been developed using Oracle's relational database management system and its fourth-generation programming tools.

27. During 1999, in addition to the maintenance of the system, its implementation and support, major activities included needs assessments and demonstration missions, as well as the design of national and regional projects.

28. The gains obtained from the DMFAS Programme by user countries are difficult to quantify, as the benefits of better information, analysis, negotiations and policy-making cannot easily be measured. However, it is generally accepted that these gains far exceed the cost of DMFAS country projects. The cost of these projects ranges from $60,000 to over $1 million, depending on the activities to be undertaken, the size of the debt database to be computerized, and the equipment and staff included in the project.

29. At the very least, DMFAS pays for itself by making debt-servicing procedures more efficient and by checking inconsistencies in the claims of creditor agencies. Substantial savings can also be made by avoiding unnecessary costs such as overpayments to creditors or penalty interests due to poor bookkeeping. In Argentina, for example, where the DMFAS project cost around $1 million, the direct savings made during the three-year implementation phase of the project amounted to around $25 million.

30. While the DMFAS Programme provides its products and services within the framework of country projects, for which funding is generally available, it operates with a central team of experts (now 17 professionals) based in Geneva. Since 1995, in addition to regular budget and country projects, this team has mostly been funded by a group of bilateral donors. Donor meetings are organized regularly in order to obtain the resources required. Discussions are currently under way to ensure more stable and adequate funding of the Programme so that it can continue to respond to the challenges ahead.

3. Special programmes

(a) Assistance to the Palestinian people

31. ***Development context***: Building on the new opportunities created by the Israel‑Palestine economic accords since 1994, the work of the UNCTAD secretariat on assistance to the Palestinian people has acquired a clear emphasis on operational activities. Following endorsement by the Palestinian Authority (PA) of UNCTAD's "Programme of Technical Cooperation Activities", the secretariat was requested to extend technical assistance in priority areas. Since 1995, the UNCTAD secretariat has fielded over 20 advisory missions in 14 project areas and prepared a number of project proposals, which were endorsed by the concerned Ministries of the PA.

32. ***Objectives***: In line with the provisions of the United Nations Medium-term Plan for 1998‑2001, UNCTAD aims to continue its work, in accordance with its mandate, in assisting the Palestinian people to develop capacities for effective policy-making and management. The secretariat's technical cooperation programme in this area aims to provide concrete assistance to the PA with a view to bolstering Palestinian institutional development and helping to create an enabling environment for the private sector.

33. ***Features***: This year witnessed substantial progress in projects already commenced, new advisory missions and project preparation in other areas, and identification of new extrabudgetary resources to implement pending project proposals. By the end of 1999, the secretariat had completed most activities under three projects, which were funded through a combination of Regular Budget, UNDP, UNITAR and bilateral resources:

(a) Feasibility study for an industrial estate in Nablus

(b) Promoting the cooperation of the PA with Egypt and Jordan in improving subregional trade-related services (customs procedures, transport coordination, business information for trade)

(c) Training programme in international commercial diplomacy (Phase I)

34. Project implementation and new advisory services meanwhile continued in 1999 under:

(a) Strengthening trade efficiency: Trade Point Palestine Ramallah

(b) Guidelines and principles for sustained development of the Palestinian economy (including macroeconomic forecasting and analysis)

(c) Strengthening technical and operational capacities in customs administration and trade facilitation.

35. Bilateral funding had been identified or pledged to cover project activities, due to commence in 2000, under:

(a) Training programme in international commercial diplomacy (Phase II)

(b) Debt Management and Financial Analysis System (DMFAS)

(c) Support to small and medium-sized enterprise development (EMPRETEC).

36. Advisory services provided in 1997–1999 resulted in project proposals in other areas, but funding had yet to be mobilized at the end of 1999, under:

(a) Promoting the cooperation of the PA with subregional trade partners in improving trade-related services (Phase II)

(b) Strengthening the institutional capacities of the domestic insurance sector

(c) Seminar on international procurement and trading of strategic food commodities and commodity supply management

(d) Statistical series on Palestinian international trade

(e) Managerial and institutional capacities for operation of the Gaza Commercial Sea Port

(f) Guidelines for human resource development in trade: TRAINFORTRADE

37. In 1999, UNCTAD contributed to the execution of a project to promote trade between the Palestinian Authority and Egypt and Jordan. It participated in the backstopping of the multinational team of experts. The findings of the experts were presented at a workshop in Ramallah in June 1999. As a follow-up to the workshop recommendations, an UNCTAD mission was organized in 1999 to carry out a study-cum-report focusing on trade facilitation and the information technologies and customs procedures, within the objective of "Strengthening institutional and managerial capacities of the Palestine Customs administration".

(b) Investment promotion (Palestinian Investment Promotion Agency - PIPA)

38. ***Impact and orientation***: A number of factors can be cited to attest to the relevance of, and demand for, UNCTAD's technical assistance: the number of requests for advisory services, actual missions undertaken, the subsequent follow-up by UNCTAD and the PA to mobilize project resources, and the close cooperation in this regard. The extrabudgetary funding already approved for projects to be implemented during 1998-1999 also attests to the role of this programme. Press coverage, reader interest and citation by various sources of UNCTAD's last two studies on the subject provide further indication of the impact of UNCTAD's work on the Palestinian economy. To the extent that the PA has endorsed UNCTAD's proposals for technical cooperation activities emanating from the findings of research and analysis, UNCTAD's capacity to contribute to reform of the policy and institutional framework is clearly recognized by their prime beneficiary. In a survey of a small group of senior PA officials who act as counterparts for the secretariat, new evaluation indicators have become available. Respondents' evaluation of the main strengths of UNCTAD assistance highlighted factors such as research, analysis and studies, close coordination with the PA, good selection of experts, in-house technical capacity, willingness to assist and good knowledge of local conditions. Weaknesses cited concerned logistical support, lengthy administrative procedures, lack of regular field presence and funding shortfalls.

(c) Trust Fund on Iron Ore

39. ***Development context:*** Following the suspension of the activities of the Association of Iron Ore Exporting Countries as from 1 June 1989, the Governments of certain countries decided to establish a trust fund on iron ore information to be administered by UNCTAD.

40. ***Output/results***: *Iron Ore Statistics*, a statistical report published annually around August, continues a series that started in 1989. It contains tables with worldwide and country-specific data for iron ore production, exports, imports and prices, as well as pellet production, exports and production capacity and other data relevant to the world iron ore market. The 1999 *Market Report on Iron Ore* is the latest in a series of annual publications (usually issued in April/May) containing updated data on iron ore production, trade and prices, and the short-term outlook, as well as a market analysis. Annually, the sales income from these reports in percentage of the total expenditures of the Fund has increased from around 25 per cent in the early 1990s to around 57 per cent in recent years.

A. DIVISION ON GLOBALIZATION AND DEVELOPMENT STRATEGIES

Project number		Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
Macro-economic and development policies										
MLW/97/001	*	Enterprise development and employment generation	1998	1999		OPC	UNDP	15'000	17'784	-4'860
RAF/97/A28		International conference on economic development and regional dynamics in Africa: lessons from the East Asian experience	1997	2000		Ongoing	Japan	289'627	189'732	5'341
INT/89/A15		Studies for the G-24	1990			Ongoing	Multidonors	431'014	449'695	147'864
INT/91/A21		Studies on international monetary and financial issues for G-24	1991			Ongoing	Netherlands	216'607	185'568	23'836
INT/93/A30		Technical support to the G-24	1993	1999		OPC	Denmark/DANIDA	126'803	126'447	28'165
INT/96/A61		G-24, Phase III	1997	2000		Ongoing	Canada/IDRC	150'473	151'017	88'553
			Total: Macro-economic and development policies					**1'229'524**	**1'120'243**	**288'899**
Globalization, development and debt mangement										
a. Globalization, finance and sustainable development										
MAR/97/001	*	Sustainable human development, policy and strategy dialogue in Mauritius	1998			Ongoing	UNDP	63'500	19'559	19'559
RAF/96/A45		Seminar on the non-OECD debt of sub-Saharan African countries	1996	1999		Completed	Netherlands, Switzerland	69'488	55'971	60
GLO/99/A18		Launching a plurilateral greenhouse gas emissions trading system	1999	2001		Ongoing	UNFIP	1'185'000	302'385	302'385
INT/91/A18		Support for the conversion of official bilateral debt	1991			Ongoing	Italy	353'427	334'433	2'844
INT/91/A29		Development of a pilot scheme for trading CO2 emission entitlements (Phase III)	1991			Ongoing	Multidonors	1'160'000	532'269	-13'945
INT/96/X46		Associate expert - development planning	1997	2000		Ongoing	Netherlands	268'492	219'398	80'905
INT/97/A12		Feasibility studies on the creation of private risk capital funds for LDCs	1997			Ongoing	Norway	127'915	79'565	4'454
INT/98/A37		Building capacity in the least developed countries to attract foreign investment through venture capital funds	1998	2000		Ongoing	Norway	299'000	4'247	4'247
INT/99/X10		Associate expert	1999	2000		Ongoing	Finland	102'835	39'680	39'680
			Subtotal: Globalization, finance and sustainable development					**3'629'657**	**1'587'507**	**440'189**

Project number		Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
b. DMFAS Programme										
ALB/97/010		Strengthening the debt management capacity of the Government	1998	2000		Ongoing	UNDP/IPF	257'500	172'277	45'278
ARG/93/045		DMFAS	1993	2000		Ongoing	UNDP/IPF Argentina/CS	1'362'059	1'288'939	105'520
BYE/94/002		Strengthening the external debt management capacity	1995			Ongoing	UNDP/IPF	83'100	65'524	23'059
CAF/95/A42		Information de la gestion de la dette extérieure	1995			Ongoing	Central African Republic/World Bank	53'000	43'000	5'489
COS/97/A19		Installation of DMFAS 5.0	1997			Ongoing	Costa Rica/Central Bank	60'199	51'317	858
DOM/95/A05		Control y administración del endeudamiento externo	1996			Ongoing	Dominican Republic	178'713	100'503	25'410
ECU/96/A01		DMFAS	1996	2000		Ongoing	Ecuador/World Bank	429'000	331'788	-14'043
ECU/98/A45		Control y administración de la deuda pública	1998			Ongoing	Ecuador/IDB	166'100	44'735	44'735
ELS/98/A41		Control y administración del endeudamiento público	1998			Ongoing	El Salvador/IDB	119'800	85'045	85'045
GEO/97/001	•	Installation of UNCTAD's DMFAS programme	1998	1999		OPC	UNDP	933	1'287	-790
GEO/98/008	•	Strengthening the external debt management capacity	1998	2000		Ongoing	UNDP/TRAC	197'900	62'798	51'145
GUA/98/017	•	Sistema integrado de la administración financiera	1999	2000		Ongoing	UNDP	229'200	104'559	104'559
HAI/98/A43		Renforcement des capacités de gestion de la dette	1998			Ongoing	Haiti/Banque de la République d'Haiti/IDB	35'400	23'747	23'747
IRA/97/A13		DMFAS 5.0 installation in Bank Markazi	1997			Ongoing	Iran, Islamic Rep./World Bank	178'593	142'294	32'539
KAZ/96/A28		Implementation of DMFAS 5.0	1996			Ongoing	USA/USAID	150'800	153'806	14'413
KAZ/97/A39		External Debt Information System	1997			Ongoing	Kazakhstan/World Bank	173'200	121'377	51'484
LIT/99/A15		Capacity building in debt and financial management	1999	2000		Ongoing	Lithuania	57'000	25'107	25'107
MOL/97/007	•	International financial markets and debt management	1997			Ongoing	UNDP/TRAC	127'903	100'996	1'067
MOL/98/005		International financial markets and debt management	1998			Ongoing	UNDP/STS	60'800	27'543	18'958
MOR/96/A41		Audit du système de gestion de la dette	1996			Ongoing	Morocco	12'300	12'301	7'972
PAK/96/A30		Implementation of DMFAS 5.0 in the Ministry of Finance and Economic Affairs (Economic Affairs Division)	1996			Ongoing	Pakistan/Asian Development Bank	46'091	44'503	6'231
PAN/95/028		Control y administración del endeudamiento público	1995	2000		Ongoing	UNDP/IPF	434'000	421'827	29'201

Project number		Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
PAR/95/003		Control y administración del endeudamiento público	1995	2000		Ongoing	UNDP/IPF Paraguay/CS	247'727	154'827	5'282
PER/95/016	•	Base técnica para el manejo de la deuda externa	1998	1999		OPC	UNDP	103'840	44'246	-5'300
PHI/95/002	•	Investment programming and debt management	1996	1999		OPC	UNDP/IPF	129'120	127'548	49'233
ROM/94/A46		Registration and control of external debt	1994			Ongoing	Japan, World Bank	350'753	344'692	27'450
ROM/98/006	•	External resources and debt management	1998	2001		Ongoing	UNDP/TRAC	72'500	45'051	45'051
RWA/98/021		Renforcement des capacités du gouvernment en gestion de la dette	1999	2000		Ongoing	UNDP/SPPD	154'200	80'275	80'275
STP/96/002	•	Renforcement des capacités de gestion de la dette au Ministère des Finances et de la planification, et de la Banque Centrale	1997			Ongoing	UNDP/IPF Government/CS	117'105	67'258	16'116
SUD/96/A02		Institutional strengthening project of the Ministry of Finance	1998			Ongoing	Sudan	72'780	40'686	40'686
TRI/98/A24		Implementation of DMFAS 5.0	1998			Ongoing	Trinidad and Tobago	21'900	18'213	18'213
UGA/96/A51		Implementation of DMFAS 5.0 in the Ministry of Finance & Economic Planning	1996			Ongoing	UGANDA	37'196	30'898	3'672
UZB/96/001	•	Strengthening the debt management capacity of the Government	1996	1999		OPC	UNDP, Uzbekistan/CS	87'340	79'502	-7'694
VEN/95/007	•	Gestión y control de las finanzas públicas	1998	2000		Ongoing	UNDP	310'700	247'997	126'175
VIE/93/007	•	Strengthening financial policies and institutions	1996	2000		Ongoing	UNDP	205'000	201'415	14'791
VIE/95/A08		DMFAS	1996			Ongoing	Asian Development Bank	81'706	81'151	14'140
YEM/97/002	•	Strengthening economic and financial management (Phase II) ASYCUDA ↔ and DMFAS	1998	2000		Ongoing	UNDP	238'763	29'866	29'866
ZIM/99/A44		Implementation of DMFAS 5.1	1999			Ongoing	Zimbabwe	30'526	107	107
RAF/94/A51		Strengthening the debt management capacity of ESAIDARM member countries	1994			Ongoing	MEMFI member countries	505'539	459'819	-11'893
RER/97/004	•	Training curriculum on effective debt management	1998			Ongoing	UNDP	30'000	34'991	23'409
INT/95/A11		Strengthening the debt management capacity of developing countries	1995			Ongoing	Switzerland	2'964'328	2'226'114	187'062
INT/95/A43		Strengthening the debt management capacity of developing countries	1995			Ongoing	Denmark	276'306	276'306	3'617
INT/95/A66		Strengthening the debt management capacity of developing countries	1995			Ongoing	Netherlands	1'653'608	1'585'083	427'779
INT/95/A85		Strengthening the debt management capacity of developing countries	1995			Ongoing	Sweden	560'145	516'426	10'762
INT/95/A89		Strengthening the debt management capacity of developing countries	1995			Ongoing	Norway	802'104	628'948	81'711
INT/96/A58		Strengthening the debt management capacity of developing countries	1996			OPC	Belgium	177'135	171'448	5'706

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
INT/99/A04	Development of WPEXD/DMFAS interface	1999			Ongoing	World Bank	29'203	24'901	24'901
INT/99/A30	Strengthening the debt management capacity of developing countries	1999	2000		Ongoing	Sweden	265'487	107'313	107'313
INT/99/A32	Strengthening the debt management capacity of developing countries	1999	2000		Ongoing	Ireland	246'000	22'741	22'741
					Subtotal: DMFAS Programme		***14'184'602***	***11'073'095***	***2'028'155***
				Total: Globalization, development and debt mangement			***17'814'259***	***12'660'602***	***2'468'344***
Special programmes									
PAL/96/036	Development of an industrial estate in Nablus: project feasibility, implementing strategy and environmental impact	1996			Ongoing	UNDP/SPR	230'000	217'449	17'152
RAB/96/001 *	Promotion of the Palestinian Authority's cooperation with Jordan and Egypt in improving subregional trade-related services	1997	2000		Ongoing	UNDP, Jordan/CS	72'000	62'239	44'107
INT/94/A37	Collection and dissemination of iron ore statistics	1994	1999		Completed	Multidonors	414'973	388'958	84'342
					Total: Special Programmes		***716'973***	***668'646***	***145'601***
	Total: DIVISION ON GLOBALIZATION AND DEVELOPMENT STRATEGIES						***19'760'756***	***14'449'491***	***2'902'844***

B. Division on International Trade in Goods and Services, and Commodities

1. Trade analysis and systemic issues

(a) Development of trade capacities

(i) Impact of the Uruguay Round and its follow-up on selected African countries: country studies

41. ***Development context:*** While African countries are highly dependent on foreign trade, export-led growth remains seriously constrained by weak production structures and their heavy reliance on a narrow range of primary exports. At UNCTAD IX, member States agreed that UNCTAD should focus on assisting in the effective integration of developing countries into the international trading system to promote their development and competitiveness.

42. ***Objectives:*** The main objectives of the studies are: to assist Governments in acquiring a better understanding of the overall impact of the Uruguay Round on their respective economies and to facilitate appropriate policy responses for adjusting to the Uruguay Round agreements, as well as to take maximum advantage of the opportunities created by the Round. Each study will be followed by a national workshop to discuss findings and recommendations.

43. ***Features:*** The approach followed in conducting the studies is based on the assumption that the attainment of effective integration into the world trading system depends on both exogenous trade factors and the adoption of suitable domestic policies. The methodology adopted consists in analysing existing trade flows for each country, and identifying where and to what extent tariff changes are likely to benefit the exports concerned. In addition, attention was paid to the likely growth of new export products, where these could be identified.

44. ***Output/results:*** In October 1997, following a request by African Ministers of Trade, UNCTAD, with financial assistance from the Governments of France and Netherlands, launched a series of country-specific studies in selected African countries on the impact of the Uruguay Round Agreements on the national economy and the attendant trade policy adjustment to adapt and respond to the new challenges and opportunities. The countries covered were Benin, Burkina Faso, Chad, Mali, Niger and Togo. Work on the country studies started in 1997, but their completion was delayed owing to the unavailability of relevant data. By the end of 1999, draft studies were completed for Benin, Burkina Faso, Chad and Niger, with the studies for Mali and Togo to be finalized in early 2000. The studies for Benin and Burkina Faso were integrated into and complemented similar work launched for these countries under JITAP (see below). The studies would be used as technical material for national workshops on trade policy in the multilateral trading system.

(ii) Tripartite project: the UNCTAD component of the UNCTAD/WTO/ITC Joint Integrated Technical Assistance Programme for Selected Least Developed and Other African Countries (JITAP)

45. ***Development context:*** JITAP is the integrated response of UNCTAD, WTO and the International Trade Centre UNCTAD/WTO (ITC), in collaboration with interested international donors, to assist in the effective integration of beneficiary African countries into the international trading system so as to promote their development.

46. ***Objectives:*** JITAP's overall objective is to enhance the development prospects and competitiveness of African countries through their increased participation in international trade. It emphasizes human resource development and institutional capacity building as well as the strengthening of export supply capabilities.

47. ***Features:*** JITAP promotes its main objective by way of the implementation of a series of interconnected activities aimed at building national capacity to understand the WTO Agreements and their development implications for each beneficiary country, including for trade negotiations; adapting the policy and regulatory framework to the WTO Agreements; and enhancing the country's capacity to take advantage of the WTO Agreements through improved export readiness. UNCTAD's contribution is focused on the first track, but it is involved, like ITC and WTO, in all aspects of the implementation of the 15 clusters of the JITAP activities.

48. The JITAP Common Trust Fund for beneficiary countries was launched on 1 March 1998 with estimated funding needs of $10.3 million. At the end of 1999, total pledges to the Fund from 13 donor countries amounted to $8.2 million. The Fund is managed by ITC and supervised by a Steering Group of representatives of donors, beneficiaries and the secretariats of ITC, UNCTAD and WTO.

49. ***Output/results*:** The 8 beneficiary countries of JITAP are Benin, Burkina Faso, Côte d'Ivoire, Ghana, Kenya, Tunisia, Uganda and the United Republic of Tanzania. In 1999, the three agencies implementing JITAP delivered just under $3 million of activities. For its part, UNCTAD, in addition to supporting together with ITC and WTO the heavy administrative tasks associated with JITAP activities, took the lead in facilitating or participated in the following:

(a) Launching of 7 country-specific studies on the impact of the new multilateral trading system on Benin, Burkina Faso, Côte d'Ivoire, Ghana, Kenya, Uganda and the United Republic of Tanzania respectively. The studies provide: (i) information to assist the country in better understanding the overall impact of the WTO Agreements on its economy and facilitate adaptation of national trade policies; (ii) analyses of opportunities that become available to the country from multilateral trade liberalization and the challenges arising to take advantage of these opportunities; and analyses of the country's trade interests and possible trade negotiation objectives in multilateral and regional trade negotiations. Drafts of the studies were completed in all 7 countries and used as technical material at "national symposia and high-level seminars on trade policy measures within the framework of the multilateral trading system", organized jointly by the 3 agencies and the countries concerned, in 5 countries (Burkina Faso, Côte d'Ivoire, Ghana, Kenya and Uganda) in early November 1999 prior to the Third WTO Ministerial Conference. The events were attended on average by about 80–100 persons from the Government, parliamentarians, private sector representatives, NGOs and academia. They produced recommendations on follow-up measures relating to trade policy, legislation changes and priority issues for trade negotiations. Similar events will be convened for Benin and the United Republic of Tanzania in the year 2000. The studies are being revised and finalized on the basis of comments received during the events. UNCTAD also initiated work on the preparation of country studies on transfer of technology policies in Ghana, Kenya, Uganda and the United Republic of Tanzania; the studies should be completed in 2000;

(b) Providing resource persons to service the series of 8 specialized subregional workshops – training, 4 for East African JITAP countries and 4 for West African JITAP countries. These covered the following topics: TBT and SPS; textiles and clothing; agriculture; and customs valuation, rules of origin and pre-shipment. These workshops were attended by at least four resource persons from each country, specialized in the topic under consideration and able to deliver training. Following the training, the resource persons were provided with the training material. Local training and information dissemination exercises have been carried out in a number of the JITAP countries by the national network of JITAP trainers;

(c) Procurement and delivery of equipment, including a computer and accessories, printer, scanner and photocopier and UNCTAD documentation to 4 JITAP countries (Ghana, Kenya, Uganda and the United Republic of Tanzania) for the setting up of reference centres on the multilateral trading system for the academic and research community. The sites for these centres are the Ghana Institute of Management and Public Administration (GIMPA) in Accra, the Kenya Institute of Business Training (KIBT) in Nairobi, the Makerere University Business School in Kampala and the College of Business Education (CBE) in Dar-es-Salaam. The equipment had been delivered to all 4 sites and installed and made operational in 3 of them by the end of 1999 (equipment has yet to be installed in GIMPA). The managers of the centres were trained by an ITC expert;

(d) Organization of a 3-week special training course on ASYCUDA for 6 customs officials, 3 each from Benin and Burkina Faso, at the ECOWAS Community Computer Centre in Lomé (Togo) in September-October 1999. The training was intended to help prepare these countries in shifting to more advanced versions of the ASYCUDA software;

(e) A JITAP website (jitap.org), jointly prepared by ITC, UNCTAD and WTO, has been set up and is maintained by ITC. An electronic communication and discussion facility, which will form an integral part of the JITAP website, has also been developed and a prototype has been successfully tested. Production of the facility will be concluded in 2000, and it will be managed by ITC.

(iii) Technical assistance to countries acceding to WTO

50. ***Development context.*** In 1999, the UNCTAD secretariat pursued the implementation of its intergovernmental mandate agreed at UNCTAD IX, aimed at assisting countries in the process of accession to the WTO as part of their integration into the world economy and international trading system. This technical assistance was normally delivered through national or regional projects financed by UNDP. A new development in this area was the launching, in November 1999, of the UNCTAD Trust Fund Project for WTO Accessions for 2000-2001.

51. In providing technical assistance to the WTO acceding countries, UNCTAD maintained close contact and developed further cooperation with the WTO secretariat. The latter, in its technical note on the accession process, acknowledged that "co-operation with UNCTAD in the provision and tailoring of technical assistance has been particularly close and complementary".[1]

52. ***Objectives.*** UNCTAD's technical cooperation with the Governments of acceding countries has the following general objectives:

(i) To assist national officials in elaborating optimal policy approaches in the WTO accession process, particularly in making an inventory of relevant problems to be solved both of an internal and an external nature, including those related to the adaptation of existing and new trade-related legislation to the WTO rules and disciplines;

(ii) Training of national officials to strengthen their knowledge of multilateral trade negotiation techniques and tactics in order to improve their negotiating capacity;

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[1] See WTO document WT/ACC/7/Rev.1, Technical Note on The Accession Process, 19 November 1999.

(iii) To provide advice in trade policy formulation, particularly relating to the WTO accession negotiations;

(iv) To strengthen the capacities of trade-supporting national institutional structures (including private sector and academic community) through training and joint analysis of the relevant problem areas.

53. ***Features.*** Technical assistance is delivered by UNCTAD through:

(a) Undertaking advisory missions and working directly with the national negotiating team;

(b) Assistance in preparing documentation required by the WTO accession negotiations;

(c) Preparation of analytical papers and briefings for national policy-makers;

(d) Training of national trade negotiators on specific issues under the accession process;

(e) Organization of brainstorming meetings and seminars;

(f) Diffusion of trade policy information.

54. ***Output/results/impact.*** In 1999, the following outputs and results were achieved in the implementation of the main projects, depending on the specific situation of individual acceding countries:

55. *Algeria, Belarus, Kazakhstan, Nepal and Viet Nam*: Activities focused on: (a) supporting the preparations of national negotiating teams for the meetings of the WTO Working Parties on Accessions, including definition of negotiating strategy and tactics; (b) assisting Governments in preparation of offers on market access in goods, commitments on agriculture and services sectors; (c) preparing reports and background papers on policies of acceding countries' trading partners members of the WTO with regard to accession and scenarios of accession negotiations; (d) providing expertise and advice on strengthening capacity building in the area of trade policy; and (e) training of trade officials in specific trade policy issues. The impact of the technical assistance provided resulted in a more effective participation of these countries' negotiating teams in the WTO accession negotiations through improved understanding of the WTO rules and disciplines and their implications for national policy options.

56. *Jordan*: In cooperation with the Government of Jordan, UNCTAD organized a regional seminar for Arab acceding countries (Amman, May 1999) with the participation of the WTO and WIPO secretariats. UNCTAD provided advice in the final stages of Jordan's accession process, which was completed in December 1999.

57. *Sudan*: The UNCTAD secretariat provided ad hoc support to the Government in the preparation of the memorandum on Sudan's foreign trade regime, while prospects for launching and financing a national project were under consideration. The memorandum was submitted to the WTO in January 1999 to allow the substantive phase of the WTO accession process to start. UNCTAD also co-organized a study tour for more than 20 officials in Geneva on WTO accession issues (June 1999).

58. *Nepal:* Most activities during 1999 under the technical assistance project for Nepal's accession to the WTO focused on the examination of macroeconomic, regional and sectoral trade issues and matters in the context of the WTO requirements, aimed at formulation of coherent negotiation options and strategies for the first meeting of the Working Party meeting, and background and inputs for the initial offers on goods and services. During their work in Nepal the international consultants organized round tables and meetings aimed at the training of Nepalese trade officials and future negotiators in their respective areas of the WTO issues as capacity building exercises. Nepalese trade officials made a study tour to neighbouring countries to discuss the WTO issues as part of the capacity building. Activities to sensitize the private sector through events organized by the Chamber of Commerce with the support of the project were also started.

59. *Cambodia:* The UNCTAD secretariat provided ad hoc support to the Government in the preparation of the memorandum on Cambodia's foreign trade regime, which was submitted to WTO in May 1999. Also, two government officials from Phnom Penh undertook a one-month study tour in Geneva. These activities were financed by the Trust Fund for the Least Developed Countries.

60. *Belarus:* Most of the technical assistance focused on the preparation of the documentation for the third meeting of the Working Party on Accession, and the preparation of the initial offers on goods and services, including agricultural support documents for bilateral market access negotiations. These activities included also capacity building and training elements. Activities were mainly carried out in the form of advisory missions to advise on the preparation of documents on domestic support for agriculture and agricultural export subsidies, including a seminar on the WTO Agreement on Agriculture and its implication for Belarus; a mission to assist in the finalization of the initial offer on services, including a brainstorming session on covering the different service sectors and balancing the negotiation options and strategies on respective concessions; and a mission to assist in the preparation of a revised market access offer in goods, including intensive sessions to prepare a programme of action relating to the revised offer and presentation of negotiation techniques on tariffs in the WTO context.

61. *Viet Nam:* Four Vietnamese trade officials received training at UNCTAD in Geneva as fellowships. The following activities were also undertaken:

- Organization and making necessary arrangements for:

Training courses:

(i) A 7-member high-level Vietnamese study-tour on the WTO accession negotiation experience of the Russian Federation and China in Moscow in August 1999 and in Beijing in August 1999;

(ii) A national training course for the preparation of draft commitments in the area of services with the participation of international consultants and experts, and more than 80 national participants, in Hanoi, in October 1999;

(iii) A national training course for the preparation of draft schedules and commitments on trade in agriculture with the participation of international consultants and experts, and more than 70 national participants, in Hanoi in October 1999;

(iv) A national training course for the preparation of draft tariff schedules for industrial goods with the participation of international consultants, and more 70 national participants, in Hanoi in October 1999.

Missions:

62. Four fact-finding missions from April to September 1999 on: the status of Viet Nam's foreign trade regime within the national legal framework and modifications; institutional and human resources capacities related to trade policy formulation; technicalities required in WTO agricultural market access negotiations; and alternative scenarios of Viet Nam's WTO accession negotiations.

Seminars and workshops:

- Organization of and participation in a brainstorming meeting on WTO accession in Hanoi in May 1999;

- Organization and preparation of documents and papers for two national seminars on WTO rules and Viet Nam's accession, in Haiphong and Danang in May 1999.

Studies and reports:

63. The following reports have been prepared on: the status of Viet Nam's foreign trade regime within the national legal framework and modifications required, mainly trade in goods and TRIMs; alternative scenarios of Viet Nam's WTO accession negotiations; Viet Nam's agricultural trade regime in the light of the WTO Agreement on Agriculture and its implications for Viet Nam's agriculture trade and economy; assessment of Viet Nam's services trade regime in the light of GATS and its implications; and Viet Nam's trade regime for industrial goods in the light of GATT 1994 and other WTO Agreements and their implications.

64. *China*: The main activities carried out in 1999 were as follows: (i) completion and finalization of the English version of the book on China and the WTO, and the proof-reading of the Chinese translation; (ii) assistance and advice to the Chinese authorities on technicalities involved in the WTO accession negotiations; (iii) preparation of a report on "Prospects for the Normalization of Trade Relations Between the People's Republic of China and the United States of America".

65. In addition, several national projects involving other WTO acceding countries were in the pipeline, while their financing prospects remained unclear. Although a growing number of acceding Governments have requested technical support from UNCTAD, lack of funding has become a major problem in providing such assistance. It is expected that with the launching of the UNCTAD Trust Fund for WTO Accessions, more assistance will be provided to the acceding countries, while its focus will be concentrated on the least developed countries that are acceding to the WTO, particularly Bhutan, Cambodia, the Lao People's Democratic Republic and Samoa.

66. *Arab regional programme*: Training and advisory services were provided in 1999 to Arab countries acceding to WTO, individually, i.e. *Algeria*, *Jordan*, *Saudi Arabia* and *Sudan*, or collectively, through a brainstorming meeting financed by UNDP and organized by UNCTAD in Amman. Bilateral consultations took place between and among the representatives of the Arab countries present, including two observer countries - Lebanon and Yemen - as well as the Palestinian Authority. High-level independent international and Arab consultants provided necessary advice on accession matters, in addition to staff from UNCTAD/WIPO/WTO/LAS/ESCWA.

67. *Preparation of the Seattle meeting*: The UNCTAD secretariat held in Chavanne-de-Bogis a symposium for the Arab trade representatives and economic advisers accredited to WTO and UNCTAD in Geneva to review the process of preparation for the third ministerial conference of WTO. Furthermore, a conference debate for Arab countries prior to the Seattle meeting was organized in Geneva in the presence of most of the Arab Ambassadors accredited to WTO and UNCTAD in cooperation with WTO, WIPO, ITC and the League of Arab States.

68. In cooperation with the LAS and OAU secretariats, UNCTAD participated in the fourth Afro-Arab Trade fair in Dakar (Senegal) and held a forum on cooperation between Arab and African countries on international and interregional trade issues, including LDCs.

69. The UNCTAD secretariat participated in a high-level meeting organized in Beirut (ESCWA) under the chairmanship of Mrs. Frechette to discuss the coordination of technical assistance for Arab countries developed by the UN system.

(iv) Support to developing countries on multilateral trade negotiations

70. ***Development context*:** During the Uruguay Round of Multilateral Trade Negotiations, developing countries felt at a disadvantage, in that they did not have an agenda of their own, but were merely reacting to the proposals of their trading partners. Having recognized this weakness, they approached UNCTAD to assist them in formulating a negotiating agenda for future trade negotiations. Thus the UN General Assembly mandated UNCTAD (A/52/898, paragraph 24(a)) and also provided resources for the necessary assistance to developing countries.

71. ***Objective:*** The main objective is to prepare developing countries to identify and assess their strategic trade and development interests within trade negotiation issues at the multilateral forums, in particular in the context of the preparation for the Third WTO Ministerial Conference, as well as at the subregional and interregional levels.

72. ***Features:*** An intensive schedule of workshops and generic and national studies to discuss elements of possible proposals by developing countries on multilateral trade rules arising from experiences acquired from implementing the WTO Agreements, the discussions and proposals for reviews and new negotiations provided in the built-in agenda of the WTO, and possible negotiation issues that would emerge from progress in the programme of work adopted by the First WTO Ministerial Conference in Singapore in 1996. Market access issues under subregional and regional trade agreements as well other trade agreements would be addressed.

73. ***Output/results:*** With the resources provided by the UN General Assembly and various technical cooperation projects, UNCTAD assisted developing countries in their preparations for their participation in trade negotiations within the context of the preparations for the Third WTO Ministerial Conference, subregional and regional integration processes and other market access trade agreements, as follows:

(a) Within the framework of the programme mandated by the UN General Assembly, UNCTAD, in collaboration with (and in some cases with financial support also) from the Governments of the Dominican Republic, the Republic of Korea and South Africa and regional and international organizations such as ESCAP and OAU/AEC, organized a series of workshops in Asia, Seoul, Republic of Korea, June 1999, Africa, Pretoria, South Africa, June-July 1999, and Latin America and the Caribbean, Boca Chica, Dominican Republic, August 1999. The workshops were attended on average by about 30 experts from Governments of developing countries, regional groupings and independent experts. The experts considered possible issues of interest to each region and identified proposals to be considered by developing countries during their preparation for the Third WTO Ministerial Conference. In the case of Africa, the experts also considered and put forward recommendations pertaining to the negotiations on a successor agreement to the Fourth Lomé Convention between the ACP States and the EU. A number of papers were prepared and presented to the workshops, including papers on: (i) the interests of developing countries in the next round of WTO agricultural negotiations; (ii) prospects for the extension of the new trade preferences to sub-Saharan countries by the United States of America; (iii) a positive agenda for subsidies; (iv) a positive agenda for the TRIPS Agreement; and (v) challenges of the post-Lomé trade framework for African countries.

(b) In collaboration with the Islamic Development Bank, UNCTAD prepared three studies on the WTO Agreement on Trade-Related Investment Measures (TRIMS), the Agreement on Agriculture and the General Agreement on Trade in Services (GATS). The studies contained an analysis of the WTO agreement concerned (for educational purposes), the possible impact on trading opportunities of World Bank member States and developing countries in general (for trade policy adaptation), the key issues that arise from this analyses for future trade negotiations (for trade negotiations), and drawing all these analyses together to identify possible trade negotiations objectives of World Bank members for the Third WTO Ministerial Conference, underpinned by a country case study for each study (Uganda on agriculture, Egypt on services and Malaysia on TRIMS). The studies provided the basic documents for the Consultative Meeting of the Organization of the Islamic Conference in October 1999, which was attended by representatives from the 53 OIC member States, the Islamic Chamber of Commerce and Industry, WTO and UNCTAD whose resource persons presented the three studies. The meeting discussed broad issues of interest to the OIC countries and recommended priorities that could be placed on the multilateral trade agenda of the Third WTO Ministerial Conference, including the built-in agenda and issues of concern to LDCs, and the linkage between these issues and any agreement of the conference.

(c) In collaboration with UNDP and OAU/AEC, UNCTAD organized a series of subregional workshops to prepare sub-Saharan African countries for trade negotiations within the context of preparations for the Third WTO Ministerial Conference, for the negotiations between the ACP States and the EU for a successor agreement to the Lomé Convention, and for deepening the process of subregional integration. The subregional workshops were organized, in cooperation with the subregional grouping concerned, for COMESA member States (Harare, Zimbabwe, August 1999); ECOWAS member States (Abuja, Nigeria, August 1999); SADC member States (Cape Town, South Africa, August-September 1999); and ECCAS member States (Libreville, Gabon, October 1999). The workshops were attended by senior policy makers and trade negotiators, dealing with subregional and multilateral agreements and the Lomé Convention. They were serviced by experts from OAU/AEC, UNCTAD and UNDP. In addition, advisory support on assessing trade negotiation proposals was provided to Geneva-based African trade negotiators during the final phases of the preparatory process for the Third WTO Ministerial Conference. At the end of 1999, the series of workshops on trade in services was launched to prepare African trade negotiators for the forthcoming negotiations within the framework of GATS. A subregional seminar for UEMOA member States was held (Abidjan, Côte d'Ivoire, in December 1999), in conjunction with ongoing work by UNCTAD and other agencies within the framework of CAPAS. Two other subregional seminars for EAC member States and for SADC member States will be convened in 2000.

(d) Together with the Government of Zimbabwe and UNDP, UNCTAD prepared a "study on the impact of the WTO agreement and other trade agreements on the economy and external trade of Zimbabwe", together with six-sector issue-specific reports covering respectively the implementation/compliance with WTO agreements, requirements for the adaptation of national legislation, tariff policy, textile industry and the agricultural sector. The studies were used as technical material for a National Consultative Conference on the WTO (Harare, 3-5 November 1999). The conference was attended by about 30 participants from government (including Geneva-based trade negotiators), the private sector and academia. The conference adopted a set of recommendations addressing (i) the key policies and practices, including those consistent with WTO obligations, to strengthen the country's capacity to take advantage of new trading opportunities; (ii) key trade negotiation objectives for Zimbabwe in multilateral and regional trade negotiations; and (iii) the restructuring of existing inter-institutional coordinating mechanisms for WTO and other trade agreements. The recommendations were transmitted to the Government for appropriate follow-up, including at the Third WTO Ministerial Conference.

(v) Trade in services – CAPAS

74. ***Development context***: In most African countries there is a dearth of knowledge about services and their critical role in a national economy. The negotiation and adoption of a multilateral framework of rules under the General Agreement on Trade in Services (GATS) made many African and other developing nations painfully aware of this knowledge gap. The coordinated African Programme of Assistance in Services (CAPAS) was conceived by the African countries as a capacity building tool to narrow this knowledge gap and help them to link the liberalization process in WTO within the framework of GATS with clearly identified national development objectives.

75. ***Objective:*** The ultimate objective is to enable African Governments to respond to the new environment in the services sector created as a result of the Uruguay Round agreements and, more particularly, GATS.

76. ***Features:*** National studies of the strengths and weaknesses of strategic service sectors are carried out by national research teams and inter-institutional working groups as part of policy-making and capacity building efforts in the field of services. This approach can be described as a "positive trade agenda approach" to negotiations on trade in services. CAPAS has so far covered 20 African countries in its three phases (Benin, Burkina Faso, Burundi, Cameroon, Côte d'Ivoire, Ghana, Guinea, Kenya, Lesotho, Madagascar, Mali, Mauritius, Namibia, Nigeria, Senegal, South Africa, Uganda, the United Republic of Tanzania, Zambia and Zimbabwe. Three countries participated in the EAC meeting – Eritrea, Ethiopia and Rwanda. Up to now, the emphasis in CAPAS has been on developing national research capacities on issues relating to trade in services and on linking that capacity to national policy-making by encouraging a dialogue among national decision-makers, led by trade ministries with support from researchers.

77. ***Output/results:*** Three regional seminars took place in the framework of the regional technical assistance provided under CAPAS, with the support of UNDP, and as implementation of decisions taken during the regular meeting of CAPAS held in October 1998 in Mauritius, i.e. to organize a series of subregional seminars aimed at (a) supporting the process of gradual liberalization of trade in services in the regions, and (b) preparing African countries to participate more effectively to the GATS 2000 negotiations.

78. The first of three subregional meetings was held in Abidjan, Côte d'Ivoire from 14 to 16 December 1999 for the UEMOA member States (Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mali, Niger, Senegal, and Togo; Guinea Bissau did not participate). Its objectives were as follows: (a) to review work done by the UEMOA member States during the third phase of CAPAS; (b) to discuss GATS 2000 negotiations and the contribution of CAPAS; (c) to facilitate the development of negotiating positions, and a positive and improved schedule of commitments; and (d)

to exchange views on the future of CAPAS, including the dissemination of studies, the holding of regional meetings and the evaluation of the programme.

79. The second meeting was held in Nairobi, Kenya, from 2 to 3 March 2000 for the EAC member States (Kenya, Uganda and the United Republic of Tanzania) and Burundi, Eritrea, Ethiopia and Rwanda.

80. The meeting focused on discussion of the specific issues raised in the studies prepared by CAPAS national experts and on how subregional integration in services can serve both to accelerate subregional development and to formulate common positions on services in the WTO negotiations. The meeting also discussed the future of CAPAS, with a view to making the next phase of CAPAS more effective in assisting the participating African countries. CAPAS IV should be designed so that it can better account for the regional trade in services in Africa.

81. The third subregional meeting will take place in June 2000 for SADC countries along the lines of the two previous subregional meetings for UEMOA and EAC. It is to be noted that the specific decisions concerning the next phase of CAPAS will be taken at the SADC intergovernmental regional meeting, taking into account the results and experience of CAPAS previous meeting.

82. ***Conclusion:*** Following the subregional meetings, and with a view to supporting African Governments' preparations for future negotiations on trade in services under GATS, including strengthening their subregional coordination, follow-up activities will be developed by UNCTAD in collaboration with International Telecommunication Union (ITU), the United Nations Department of Economic and Social Affairs (UNDESA), the World Bank, the Commonwealth Secretariat and UNDP.

(b) Trade Analysis and Information System (TRAINS)

(i) TRAINS CD-ROM

83. ***Development context:*** Following a decision by the Trade and Development Board calling on the UNCTAD secretariat to provide, on request, information from its Database on Trade Control Measures under its own responsibility (decision 354, taken at the thirty-fourth session of the Board), UNCTAD developed the Trade Analysis and Information System (TRAINS) and its corresponding dissemination tool, the TRAINS CD-ROM.

84. ***Objectives:*** TRAINS is an information system intended to increase transparency in international trading conditions. It is intended more specifically to provide a comprehensive information system for use by policy makers and economic operators engaged in exporting. It is also

a powerful tool that can be used in trade negotiations (e.g. to monitor an integration process) and for general research on international trade. One component of the system relates to the Generalized System of Preferences (GSP) in that it includes information on tariffs, preferential margins, rules of origin and other regulations affecting the export interests of developing countries vis-à-vis the preference-giving countries.

85. ***Features***: The TRAINS CD-ROM can be compared to a specialized library containing books on trade-related topics. It currently contains:

(a) 113 volumes of tariff schedules, 51 of which are for 1999;

(b) 52 volumes with para-tariff measures;

(c) 87 publications on non-tariff measures, produced by UNCTAD;

(d) 329 volumes on detailed import statistics by origin for 91 reporting countries, some of them for the five successive years of the period 1994–1998.

86. The software accompanying the information on the CD-ROM is designed to make the presentation and analysis of several databases compatible. It enables the user to search for and sort data, as well as to perform comparative data analysis more effectively than would be possible in a conventional library. For each of the more than 5,000 basic items in the current international trade classification, as well as for any aggregate thereof, it allows for a cross-country comparison of basic indicators on the import regime, such as tariff averages and the incidence of non-tariff measures. Likewise, it allows the same comparison to be made of import values. The further development of the TRAINS software, including the integration into it of the SMART module (System for Market Analysis and Restrictions on Trade), is being carried out in collaboration with the World Bank. A subsystem (TRAINS for the Americas) is also being developed in collaboration with the Inter-American Development Bank for extension of the database with information on bilateral preferential trade agreements, as well as on rules of origin for the western hemisphere.

87. For dissemination purposes, UNCTAD has invited member States and subregional institutions to designate TRAINS focal points which, in addition to being supplied with updated information on trade control measures, serve as a channel through which UNCTAD obtains recent information on countries or regions, particularly computerized information on tariffs and trade, as well as documentation on para-tariff and non-tariff measures. Among the regional secretariats actively collaborating with UNCTAD are those of the Latin American Integration Association (ALADI), the South Asian Association for Regional Cooperation (SAARC), the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA), the Central African Customs

and Economic Union (UDEAC) and, most recently, the South African Development Committee (SADC) Industry and Trade Coordination Division (SITCD). The TRAINS CD-ROM is available to other parties that make a minimum contribution to the UNCTAD trust fund created for this purpose.

88. ***Output/results/impact:*** The widespread use of the UNCTAD database, particularly in the publications of such organizations as the Organisation for Economic Co-operation and Development (OECD), the World Bank and the IMF, as well as UNCTAD itself, attests to the recognition of its usefulness. That a number of universities and private organizations have made voluntary contributions to the TRAINS trust fund is a good indication of the value of the system. In 1998, for the first time, contributions were made by research institutions in Botswana and India. Requests for the TRAINS CD-ROM have also come from government ministries and international organizations engaged in trade negotiations under the Asia-Pacific Economic Cooperation Forum (APEC) and the Free Trade Area of the Americas (FTAA).

(ii) TRAINS for the Generalized System of Preferences (GSP)

89. ***Development context/objectives:*** The aim of TRAINS for GSP is to increase transparency on GSP and other preferential tariffs available to developing countries, and, more specifically, to facilitate the spread of up-to-date information on tariffs and para-tariffs among Mediterranean and other GSP preference-receiving countries by disseminating TRAINS to GSP focal points.

90. ***Features/output/results:*** During the period under review, with the cooperation of the preference-giving countries, updated information was incorporated into the new version of TRAINS on new and revised GSP schemes and preferential European Union tariffs for the Mediterranean countries and for countries with economies in transition. The new version was distributed to GSP focal points in spring 2000. This improved version of TRAINS will encourage the increased utilization of preferential schemes.

(c) Preferential arrangements

(i) Market access, trade laws and preferences

The Generalized System of Preferences (GSP)

91. ***Development Context:*** Market access is an essential condition for the trade growth of developing countries. Preferential market access for developing countries' exports constitutes an essential basis for the creation of trading opportunities and the fostering of their industrialization.

92. Over the last three decades, the Generalized System of Preferences has provided developing countries' exports with reduction or total elimination of customs duties, and special treatment has been granted to the products originating in least developed countries. Many preference-giving countries have amended their GSP schemes in various ways, especially since the conclusion of the Uruguay Round of multilateral trade negotiations. Nevertheless, least developed countries have derived only limited benefits from the GSP for a number of reasons, including the limited coverage for products of specific export interest to them, supply-side constraints, and the complexity and stringency of the regulations.

93. In order to ensure that developing countries and especially LDCs derive the greatest benefits from the international trading system, and the GSP in particular, entrepreneurs and government officials need a clear knowledge of what the rules are and how to utilize the trade opportunities available under the various GSP schemes.

94. Important export sectors of interest to developing countries still face substantial barriers, notably trade regulations, tariff escalation and tariff peaks that considerably affect their market access. At the same time many developing countries (notably the LDCs) have yet to achieve a sufficient degree of export development and diversification in order to compete efficiently in the world market, hence the importance of preferential market access for their exports. The project has been established following UNCTAD recognition of the continuing need for technical assistance in this regard.

95. ***Objectives***: The project programme has two objectives. The first of these is to increase the use of trade opportunities and trade preferences available to developing countries under preferential arrangements such as the GSP, Lomé and other bilateral agreements through a better understanding of, and familiarization of the interested parties (either government officials or the business community) with, the current market access possibilities in the main industrialized markets.

96. The second objective is to increase the understanding in developing countries of trade laws and regulations, such as rules of origin, quotas and anti-dumping duties, governing the market access conditions in the main preference-giving countries.

97. Together, these objectives should contribute to the expansion and diversification of developing countries' exports.

98. ***Features:*** The project provides beneficiary countries with the necessary expertise for overcoming difficulties encountered in GSP utilization and disseminating other information regarding market access through:

(i) Advisory missions/workshops/seminars to advise local authorities and exporters on individual GSP schemes, preferential and not preferential rules of origin, anti-dumping, specific problems/difficulties encountered by developing countries in GSP utilization or questions regarding market access;

(ii) The updating of the relevant handbooks of the different GSP schemes and trade laws to be used as background materials during these field activities and for distribution to focal points.

The establishment of a GSP website on the Internet

99. ***Output/results:*** Assistance was delivered by UNCTAD through the publication of the GSP handbook for the European Community, the United States, Japan, Switzerland, Slovakia, Poland and New Zealand.

100. *Other publications*: (i) "Status of the work programme on the harmonization of non-preferential rules of origin"; (ii) "Quantifying the benefits obtained by developing countries from the GSP"; (iii) "Digest of GSP Rules of Origin"; (iv) GSP website on the Internet (fully operational).

101. *Missions undertaken*: (i) National Seminar on the GSP and Rules of Origin, Almaty, Kazakhstan, September 1999. (ii) National Seminar on the GSP and Rules of Origin, Bishkek, Kyrgyzstan, September-October 1999; (iii) National Seminar on the GSP and Rules of Origin, Ulan Bator, Mongolia, October 1999.

(ii) The Global System of Trade Preferences among Developing Countries (GSTP)

102. ***Development context/objectives:*** The GSTP was established as a framework for the exchange of trade preferences among developing countries with a view to promoting their mutual trade. Since its entry into force, 44 countries have become participants. The second round of GSTP negotiations was conducted with the aim of facilitating the process of accession to the GSTP and widening and deepening the exchange of trade concessions. The objective of the GSTP project is to support these processes.

103. ***Output/results:*** In the course of 1999, technical support was provided by the GSTP project for the follow-up of the bilateral product-by-product negotiations within the framework of the second round of GSTP preferential trade negotiations that had been concluded in December 1998. Support activities were related to servicing as depositary of the negotiated consolidated lists of concessions, which collectively establish the schedule of concessions resulting from the second round of GSTP

trade negotiations. Technical support was provided upon request to facilitate the verification of negotiated lists of concessions. Supportive activities were also extended to facilitate the acceptance procedure of the 1998 Protocol by participating countries not later than 31 December 2000.

(iii) Subregional and regional integration

UNCTAD support for the formulation of a Free Trade Agreement in the SADC region

104. ***Development context:*** Since 1996, Southern African countries have been embarked on a process of trade negotiations aimed at gradually liberalizing the domestic markets and eventually creating a Free Trade Area among themselves. Factors leading the process have been, on the one hand, the recognition of the low level of their economic integration compared with other countries in other regions and, on the other, the future possibility of developing and negotiating a partnership agreement with the EU. The negotiating process on tariff reductions has advanced consistently in 1998 and 1999 and, with the recent entry into force of the SADC Trade Protocol (25 January 2000), SADC member States appear determined to start the implementation phase, which is expected to begin in September 2000. SADC countries are also in the process of starting negotiations on other issues, notably the liberalization of services and the elimination of NTBs. All these developments provide the SADC countries with a unique challenge both to improve their political and economic relationships and to set the ground for their stronger participation in the world economy.

105. ***Objective:*** The advances in the SADC FTA depend not only on the political will of member States, but also on their capacity to negotiate technically sound solutions that take into account their economic interests, objectives and expectations. The objective is to support and enable government officials to conduct negotiations, drawing expertise from other comparable experiences in other developing regions, and to carefully assess the impact of rules of origin regulations on intra-SADC trade so as to strengthen the overall SADC process of economic integration.

106. ***Features:*** Technical assistance is delivered by UNCTAD through:

(i) Provision of substantive support to the SITCD and SADC secretariat in addressing technical issues during the negotiations;

(ii) Preparation of relevant papers to facilitate discussion and dialogue among member States on the outstanding issues;

(iii) Provision of assistance to the SITCD and SADC secretariat in the management of the meetings.

107. ***Output/results:*** UNCTAD's activities in 1999 aimed at supporting the ongoing SADC FTA negotiating process. In this regard, UNCTAD has actively participated in the Trade Negotiating Forum (TNF), the plenary where negotiations and discussions among SADC member States take plaçe, providing SADC delegates (officials as well as Permanent Secretaries and Ministers) with continuous analytical and technical assistance, particularly on the outstanding and most contentious issues. UNCTAD's contribution to the negotiations has also been provided through the regular preparation and presentation of technical papers to facilitate the discussion. UNCTAD's technical assistance has been recognized as a substantial contribution to the SADC FTA process by Ministers in several occasions.

108. Seven missions to various African countries were undertaken to participate at in the 9th to the 15th sessions of the SADC Trade Negotiationg Forum from March to December 1999.

(iv) Technical cooperation on trade relations and economic cooperation in the Mediterranen region

109. ***Development context:*** The implementation of the Uruguay Round Agreements and the reorientation of European Union trade policy towards third countries have resulted in drastic changes in market access and trade relations for the developing countries of the Mediterranean region. The Barcelona Declaration of October 1995 envisages the establishment of a Euro-Mediterranean free trade zone by the year 2010, involving bilateral association agreements between the European Union and individual Mediterranean countries, to be followed by closer ties among the Mediterranean countries. These developments confront the region with a significant shift in the trade policy of their main trading partner, from non-reciprocal to reciprocal market access. The establishment of the association agreements will also affect areas beyond trade in goods, involving the adaptation of trade-related policies, especially as regards intellectual property rights, competition law, customs cooperation and standards.

110. ***Objectives:*** The Barcelona programme represents a formidable challenge for the economies of the countries involved. The objective of the project is to support the Mediterranean countries' efforts to meet this challenge by assisting in the negotiation and implementation of the agreements, and to lay the groundwork for the second phase of the Barcelona programme, namely the establishment of free trade agreements among Mediterranean countries.

111. ***Features:*** The project activities are aimed at:

(a) Providing support to policy makers, both during the negotiations and during the implementation of agreements, on selected topics such as preferential market access provided by the European Union to each Mediterranean country and territory for agricultural goods (also in comparison to European Union concessions in WTO), alternatives for the liberalization of the industrial sector, provisions regarding intellectual property rights, competition law, liberalization in services, customs cooperation, and environmental and technical standards; and

(b) Familiarizing the business community with the coverage and depth of the tariff cuts and other preferential market access provisions, including information on rules-of-origin regulations and administrative requirements to obtain such benefits, as well as with the necessary procedures for obtaining financing under the MEDA funds.

Support to the Union du Maghreb Arabe

112. ***Development context:*** Intraregional trade between Maghreb countries is today very limited. The largest part of external trade of these countries is with the EU countries and other developed countries. It is widely accepted that regional integration should allow export diversification and an increase in export revenues. Today the integration process among member countries of the UMA – Union du Maghreb Arabe – needs to be redynamized, taking into account changes in the international trading context that occurred in the 1990s.

113. ***Objectives:*** Progress towards an operative Free Trade Area among UMA members requires that the present legal base be updated, taking into account the recent progress in the Multilateral Trading System (MTS) and the new type of Euro-Mediterranean cooperation initiated by the Barcelona Conference.

114. This new framework raises questions about how best to design a Maghreb FTA beyond liberalization in goods. The UMA could and should draw on the experience (both success and failures) of other preferential trading agreements in different regions in order to develop its own approach to regional integration.

115. ***Features:*** The project aims at the delivery to the UMA secretariat of a study, which should:

(i) suggest different options regarding how to concretely implement the UMA FTA, taking into account the new environment created by the WTO Uruguay Round Agreements and the Euro-Mediterranean process; draw on the experience of other FTAs across the world as regards main trading issues such as competition, IPRs, services, TBT-SPS and rules of origin; advise on possible directions for a common policy on these issues;

(ii) Evaluate the potential costs and benefits stemming from the implementation of a FTA among the Maghreb countries;

(iii) Propose a prototype of a FTA Treaty between the UMA members, including a framework of a protocol on rules of origin.

116. ***Output/results*** for 1999: The UMA study has been finalized, taking into account the inputs from the UMA secretariat and representatives of member countries, and will be published soon.

2. Commodities

(a) Commodity-based development and diversification

117. ***Objectives:*** The overall objectives are as follows: (a) to assist the Governments of commodity-dependent countries in the design and implementation of policies and measures to facilitate horizontal and vertical diversification, and to improve the performance of traditional commodity sectors; and (b) to help the enterprise sector to benefit from the opportunities available and deal with the new challenges in the post-Uruguay Round trading framework.

118. ***Features:*** The programme consists of country- and sector-based analytical studies, policy advice and capacity building.

119. ***Output/results/impact:*** A project aimed at defining policies facilitating entry of small-scale farmers into sugar cane cultivation was carried out in Swaziland. The results of the project have been described in document UNCTAD/ITCD/COM/28.

(b) Natural resources

120. ***Development context and objectives:*** The principal objective has been to assist developing country Governments in implementing policies which ensure that the exploitation of natural resources contributes to broadly based, diversified economic development, particularly in areas heavily dependent on natural-resource-based commodity production.

121. ***Features/outputs/results:*** UNCTAD has developed a model framework to assist in the identification, analysis and management of long-term mineral resource issues. The model framework consists of a geomanagement system and an economic/ecological model. During 1999, a scoping study for application of the framework was carried out in northern Chile. It is intended to pursue this project in 2000.

(c) Commodity marketing and risk management

122. ***Objective/features:*** The main objective of work in the area of commodity marketing, risk management and finance is to improve the use made of modern marketing and financing techniques in commodity trade. This not only makes important cost savings possible, but also allows Governments, parastatals and private sector entities to plan and manage more efficiently. The programme involves the publication of analytical studies and manuals, policy advice, awareness-raising activities and training.

123. ***Output/results***: In the area of commodity marketing, risk management and finance, the major event organized in Africa was the Fourth African Oil and Gas Trade and Finance Conference, held in April 1999 in Windhoek, Namibia. Around 180 people participated from throughout Africa, including several Ministers, and key officials from most African petroleum importing and exporting companies. The conference, which was entirely funded by private sector sponsorship, addressed the interface of the oil and finance sectors; it discussed, *inter alia*, domestic oil pricing and marketing policies, and possibilities of improving oil import and export finance. It also adopted a training and capacity building programme for Africa's oil and gas industry. Apart from this, training in structured commodity finance was provided for senior African bankers, in cooperation with the African Export-Import Bank. Furthermore, through direct contacts and a UNCTAD-organized workshop on the major Burgenstock futures exchanges conference, some of the lessons of exchange development worldwide were made available to Africa's emerging commodity exchanges (Ghana, Kenya, Nigeria, South Africa, Zimbabwe).

124. In Asia, work with the Governments and private sector of India and Indonesia on commodity exchanges and innovative commodity financing mechanisms continued. Among other things, conferences on warehouse receipt finance were co-organized with government agencies in both countries. These conferences attracted a total of more than 500 participants, including the top executives of commodity firms from both countries. The meeting in India, among other things, led a large Indian bank, the National Central Warehousing Corporation and the association of local cotton traders to initiate a $20 million warehouse receipt-based line of credit, providing traders with access to credit at a rate 3.5 per cent below usual rates. Policy advice to the Government of India, and advice on legal and regulatory reforms needed for proper management of commodity exchanges continued, under a World Bank-financed programme.

3. Trade, environment and development

(a) General

125. ***Development context:*** Agenda 21 emphasized the need to make trade and environmental policies mutually supportive through appropriate actions at the national and multilateral levels. This requires the attention of, among others, policy makers, the business community, academic institutions and non-governmental organizations. The trade and environment debate has increasingly emphasized the need for capacity building to help developing countries deal effectively with trade-related environmental and environment-related trade problems. In response to this need, the UNCTAD secretariat has developed a comprehensive capacity building programme.

126. ***Objectives:*** The immediate objectives of the programme are:

- To facilitate dialogue between trade, environment and development communities;
- To strengthen capacities for policy analysis and trade and environment policy coordination in developing countries;
- To assist developing countries in taking advantage of new trading opportunities; and
- To support the effective participation of developing countries in international deliberations on trade and environment.

127. ***Features:*** Important features of the programme include:

- close interaction with the intergovernmental work programme and secretariat research;
- broad geographical coverage;
- special attention to LDCs;
- broad coverage of issues;
- participatory approaches using local research and the capacity of non-governmental organizations; and
- networking with other institutions and civil society.

128. ***Output/results***: Detailed information on UNCTAD's ongoing and proposed technical cooperation activities is contained in a comprehensive 53-page document entitled *UNCTAD: Building Capacity in Trade, Environment and Development*. The advance unedited copy was issued at the end of 1999 (UNCTAD/DITC/TED/Misc.7). An externally printed edition produced for UNCTAD X in February 2000 is available from the secretariat upon request. Below are some highlights of activities which took place in 1999.

129. A comprehensive new project entitled Strengthening Research and Policy-Making Capacity on Trade and Environment in Developing Countries was launched in 1999. It helps ten developing countries (Bangladesh, Brazil, Costa Rica, Cuba, India, Philippines, South Africa, Tunisia, Uganda and the United Republic of Tanzania) (a) to deepen their understanding of the complex linkages between trade and environment; (b) to improve policy coordination at the national level; and (c) to participate effectively in multilateral deliberations on trade and environment in the WTO, UNCTAD and other forums. The project is being implemented in collaboration with the Foundation for International Environmental Law and Development (FIELD).

130. The project-launching roundtable was held on 24 and 25 June 1999 in Geneva. Participants defined ten priority issues they wished to collectively work on, supported by research carried out in their countries. These issues included biodiversity, market access, technology transfer and trade in environmentally preferable products. Initial results were presented at the first workshop, held in Los Baños, Philippines, from 11 to 13 November 1999. The other workshops will be held in Cuba, London and South Africa in 2000.

131. Strengthening capacities for trade and environmental policy coordination was a main aim of two national projects launched in India and Viet Nam. Two seminars were organized in 1999 under the Indian project: one on "Market Access and Environmentally Preferable Products" (Calcutta, 30 September) and the other on "Accessing Environment-friendly Technologies in the Context of Multilateral Environmental Agreements" (Bangalore, 15 October).

132. A project on trade, environment and investment was launched during a seminar held in Jaipur, India, in January 1999. The main objective of this project is to examine the role of TNCs in supporting the efforts of developing countries in reaching sustainable development objectives and more particularly in implementing the objectives of multilateral environmental agreements. The project is based on five company-level case studies carried out in China, India and Malaysia by the Institute for Environmental Management and Business Administration, based in Germany, in collaboration with national research institutes of the three countries. The case studies are meant to highlight best practices of TNCs in developing host countries in the area of environmental management and transfer of environmentally sound technologies. The preliminary findings of this project were presented at a well-attended Pre-UNCTAD X Seminar on "Making FDI Work for

Sustainable Development", held in Geneva on 15 November 1999. The final findings will be presented during a meeting to be held in Geneva in June 2000.

133. UNCTAD completed the analytical phase of a project on enhancing capacity in the environmentally and economically sustainable management of lead in the Philippines. The project aims at enhancing the environmental and occupational performance of recycling of used lead-acid batteries, without jeopardizing its economic viability. In collaboration with UNDP and with the technical support of the International Lead Management Center, UNCTAD organized two briefing sessions on the findings of the analytical work for concerned government departments, on the one hand, and NGOs and media, on the other hand. The briefings endorsed the proposal to set up a multi-stakeholder panel advising the Philippine Government on developing and implementing a comprehensive national strategy on sustainable management of lead. This forum is planned to have three to four sessions in 2000-2001, starting in June 2000.

134. The third UNCTAD/International Rubber Study Group workshop on the opportunities and constraints for internalizing environmental costs and benefits in the prices of rubber and rubber goods was held in Vera Cruz, Mexico, in October. Around 150 representatives from government, the business community and research institutes from rubber producing and consuming countries participated. The discussion centred on the use of economic and suitable regulatory instruments for enhancing reuse and recycling of rubber from used tyres, in particular in developing countries, as well as on the opportunities for the use of carbon offset swaps in the context of the Kyoto Protocol of UNFCCC to foster competitiveness of natural rubber production.

135. Work on a TRAINFORTRADE 2000 course on trade, environment and development began in 1999. The main objectives of this course are (a) to familiarize participants with the international debate on trade and environment; (b) to identify issues of particular national or regional concern; and (c) to encourage national-level actions to address these issues, such as increased coordination between government officials responsible for trade and environment issues and improved dialogue with representatives of civil society (e.g. industry representatives and environmental NGOs).

136. In response to requests for technical cooperation activities for capacity building in trade, environment and development by Mozambique, meetings were held in Maputo in July, followed by a workshop in October to establish priorities for a project proposal. Those identified included strengthening capacities in national policy coordination and for effective participation in international discussions on trade and environment issues.

137. The UNCTAD secretariat also participated actively in a number of capacity building workshops and seminars organized by other institutions and civil society, e.g. by helping to prepare the agenda of the meeting and/or preparing background papers. These included the FORUM

secretariat's Regional Trade and Environment Seminar for Pacific Island Countries (Fiji, January); ICTSD/ART/ZERO Regional Trade and Environment Seminar for Governments and Civil Society in Africa (Harare, February); UNEP Seminars on Capacity Building for Integrating Environmental Considerations in Development Planning and Decision Making (New Delhi, May); Environmental Impact of Structural Adjustment Policies: The Case of Export-Oriented Shrimp Culture in Bangladesh (Dhaka, May); Development of Market-Based Instruments for the Management of the Makiling Forest Reserve (Los Baños, Philippines, June); Arab Regional Symposium on Trade and Environment, organized by the League of Arab States, UNEP and the Government of Egypt; ICTSD Seminar on Trade and Environment (Caracas, October); and ESCWA's Expert Meeting on the Impact of WTO Trade and Environment Decisions on the ESCWA member States.

(b) The BIOTRADE Initiative

138. ***Development context:*** Many developing countries are endowed with rich and highly diverse biological resources which provide a wide range of products and services. Developing countries which seek to use biological resources as a tool for development could promote the bio-resource industry by creating a critical mass of technical and entrepreneurial skills, involving research and development and the marketing of biological resources. To ensure that the benefits generated by biological resources can be provided to future generations and contribute to development, these resources should be used sustainably. Unfortunately, owing to many factors, Governments, the private sector and local communities have failed to provided sufficient incentives to preserve biological resources. Examples of such factors are: uncertain property rights, the lack of entrepreneurial and financial resources, and political, economic and technological risks.

139. In the light of the above, and in the context of the call in the Convention on Biological Diversity (CBD) for the linking of trade, biodiversity conservation and sustainable development in a mutually beneficial way, UNCTAD launched the BIOTRADE Initiative in November 1996.

140. ***Objectives:*** The BIOTRADE Initiative aims at stimulating investment and trade in biological resources as a means of furthering the three objectives of the CBD: (i) conservation of biodiversity; (ii) the sustainable use of its components; and (iii) a fair and equitable sharing of benefits arising from the utilization of biological resources. The initiative's ultimate objective is to enhance the capability of developing countries to sustainably use their biodiversity to produce new value-added products and services for both international and domestic markets.

141. ***Features:*** The initiative collaborates with the private sector, local and indigenous communities, governmental and non-governmental organizations and academia. It is an integrated programme consisting of four complementary and mutually reinforcing components: BIOTRADE country programmes; trade promotion; market research and policy analysis; and Internet services.

142. ***Output/results:*** The first BIOTRADE seminar was held in Villa de Leiva, Colombia, in March 1999. It was attended by government officials, research institutes, NGOs and private and indigenous communities. Prior to the workshop, a capacity building seminar for indigenous communities was also held in March in Bogotá, Colombia.

143. In Peru a number of coordinating meetings took place in 1999, including one with indigenous communities to facilitate their active participation in the BIOTRADE programme.

144. The Programme "Bolsa Amazonia", an instrument to promote and intermediate in bio-business opportunities for natural products, was launched in Belem, Brazil, in June 1999. It results from a collaborative effort between the UNCTAD secretariat and the Programme on Poverty and the Environment in Amazon (POEMA). At the same occasion, a Memorandum of Understanding was signed between the secretariat of UNCTAD and POEMA.

145. UNCTAD, the German Association on Technical Co-operation (GTZ) and the Guinean NGO Guinée Ecologie, organized a workshop in Mamou, Guinea, in April 1999. This event focused on commercialization and sustainable use of medicinal plants and was attended by traditional healers and representatives of NGOs and international organizations such as WHO and the World Bank. The workshop helped develop an action plan for the sustainable commercial use of medicinal plants.

146. Financially supported by the UN Foundation (UNF), through the UN Foundation on International Partnerships (UNFIP), a project document was developed and preparatory missions were undertaken for the implementation of the BIOTRADE initiative in the Amazonian region. The project proposal was approved for implementation in 2000-2002.

4. Competition law and policy and consumer protection

147. ***Development context:*** Strengthened competition enhances overall economic efficiency and significantly improves prospects for sustained economic growth and development. The worldwide implementation of fundamental market-oriented economic reforms has unleashed considerable competitive forces, which play a key role in ensuring the success of the reforms and need to be supported by the appropriate rules of the game. However, despite a general widespread trend towards the adoption, reformulation or better implementation of competition laws and policies in developing countries and economies in transition, many of these countries still do not have up-to-date competition legislation and policies or do not apply them with full effectiveness and request technical assistance in this area. In this connection, the UN Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices calls for the provision of technical assistance, and advisory and training programmes, particularly to developing countries. Furthermore,

at UNCTAD IX, UNCTAD was given a mandate to enhance technical cooperation in this area by "promoting national competition and consumer protection law and policy formulation".

148. ***Objectives:*** The programme aims at assisting developing countries in formulating or reviewing competition policies and legislations, at contributing to the building of national institutional capacity in this area and at providing government officials and private entrepreneurs with a better understanding of competition laws and policies.

149. ***Features:*** Assistance is provided in accordance with requests received, needs of countries concerned and resources available. The main types of technical cooperation activities can be described as follows:

(a) Provision of information about restrictive business practices (RBPs), their existence and possible adverse effects on the economy. This may involve a study on restrictive business practices in a specific country;

(b) Introductory seminars directed at a wide audience, including government officials and academics, as well as business and consumer-oriented circles;

(c) Assistance to countries which are in the process of drafting competition legislation in the form of provision of information on such legislation in other countries or advice as to drafting their competition legislation;

(d) Advisory services for the setting up of a competition authority; this usually includes training of officials responsible for the actual control of RBPs and may involve training workshops and/or on-the-job training with competition authorities in countries having experience in the field of competition;

(e) Organization of seminars for States which have already adopted competition legislation, have experience in the control of RBPs and wish to consult one another on specific cases and exchange information;

(f) Assistance to countries which wish to revise their competition legislation and seek expert advice from competition authorities in other States, so as to amend their laws in the most effective manner possible;

(g) Assistance in the area of creating a "competitive culture" and preparing developing countries, including the LDCs as well as economies in transition, for future multilateral negotiations in this area.

(a) National activities

150. ***Output/results:*** In 1999, UNCTAD assisted Thailand, Mauritania, Madagascar, Viet Nam and Ecuador in preparing, elaborating or reviewing national competition and/or consumer protection legislation. UNCTAD also provided advisory services to Thailand in drafting guidelines for operational procedures for its competition authority. A competition expert engaged by UNCTAD prepared a report on assessing CIS countries' experience in implementing competition policy. UNCTAD advised the Task Force of CARICOM countries preparing the revision of Protocol IX on competition policy and consumer protection issues. Also, the work on elaborating a common approach to competition policy for the member States of the Common Market for Eastern and Southern Africa (COMESA) was continued.

151. A national training workshop on competition policy was organized by UNCTAD in May 1999 in Zambia. The workshop's objectives were to enhance the capacity and institution building of the Zambia Competition Commission as well as to contribute to the educational process which the ZCC had launched with a view to creating a "competition culture" in Zambia. The workshop on the implementation of the Business Competition Act 1999 of Thailand, held in September 1999 in Bangkok, acquainted a wide range of participants with specific features of Thai competition legislation and enabled the Government to take note of specific recommendations, elaborated in the course of the workshop. The workshop on issues related to competition law, lessons and recommendations for Viet Nam, was held in September 1999 in Hanoi with a view to helping the Vietnamese Government to prepare a draft competition legislation. A national seminar on competition law and policy was organized in December 1999 in Madagascar with a view to enabling the participating government officials and representatives of private business to understand the implications of the draft competition law once adopted and how it should be applied.

(b) Regional and subregional activities

152. ***Output/results:*** In Africa, a Regional Seminar on Competition Policy, Trade and Development was jointly organized by UNCTAD, COMESA (Common Market for Eastern and Southern Africa) and the Zambia Competition Commission, from 2 to 4 June 1999 in Lusaka, Zambia. The aim of the seminar was to discuss the competition issues of importance to regional development and integration among the COMESA member countries; the interrelationship between the objectives and instruments of trade investment and competition policies; the relevance to COMESA of other integration grouping experiences with a common competition policy; and the role of cooperation and communication in competition law and policy.

153. In Asia, UNCTAD participated in February 1999 in Pakistan in a subregional workshop on competition for South Asian Association for Regional Cooperation (SAARC) countries, organized

in cooperation with the German Foundation for International Economic Development (DSE), and in March 1999 in Thailand in an APEC/Partners for Progress (PFP) training programme/workshop on competition policies.

154. In Latin America, a subregional workshop for CARICOM and its member States on competition law and policy was held on 12 and 13 October 1999 in Port-of-Spain, Trinidad and Tobago. It was organized by UNCTAD jointly with the CARICOM secretariat, the EU, the University of the West Indies and the Institute of Social and Economic Research. The objective of the wokshop was to strengthen Caribbean countries' knowledge of the main principles and application of competition law and policy. The seminar also considered the scope and rules of competition applicable in regional integration agreements and focused on the issue of global and hemispheric trade, liberalization and competition.

155. UNCTAD also participated in a regional meeting of the CIS antimonopoly bodies' leadership, organized in September 1999 in Moscow, Russian Federation, together with the Inter-State CIS Council on Antimonopoly Policy and the Russian Ministry for Antimonopoly Policy and Support of Entrepreneurship.

(c) Participation in seminars and conferences

156. In 1999, staff members of UNCTAD took part in a number of seminars, workshops and conferences related to issues of competition law and policy and consumer protection. In particular, the UNCTAD secretariat actively participated in: (a) the IXth International Conference on Competition, held in Berlin in May 1999 and organized by the German Federal Cartel Office and the German Foundation for International Economic Development; (b) the International Conference on Competition Policy and Economic Adjustment, organized in Bangkok in May 1999 by the World Bank, OECD and the Global Forum on Competition Policy of the International Bar Association; (c) the OECD Conference on Trade and Competition, held in Paris in June 1999; (d) the Multilateral Trade, Investment and Competition Policy Capacity-Building Seminar, organized in July 1999 in Jaipur (India) by the Consumer Unity and Trust Society (India) and the Pro-Public (Nepal); (e) the 14th Session of the OECD Committee on Competition Law and Policy (Paris, October 1999); (f) the International Conference on Competition Policy and its Institutions (Managua, Nicaragua, November 1999); (g) the Forum on New Trends in Competition Law and their Implications for Business in Central and Eastern Europe and the CIS Countries, co-organized in November 1999 in Brno by the UN, ECE and the Czech Office for Protection of Competition; (h) the Conference on Competition Policy for the Cyber-World (New York, November 1999); and (i) the 4th International Symposium on Competition Policy (Seoul, December 1999).

B. DIVISION ON INTERNATIONAL TRADE IN GOODS AND SERVICES, AND COMMODITIES

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
Trade analysis and systemic issues									
ALG/98/001	• Elaboration d'un programme d'appui à l'adhésion de l'Algérie à l'OMC et à son association à l'Union européenne	1998	2000		Ongoing	UNDP/ Algeria/CS	240'000	54'797	20'361
BEN/98/A51	Suivi des accords de l'OMC et amélioration des débouchés internationaux pour les entreprises exportatrices du Bénin	1998	2000		Ongoing	ITC	407'080	35'451	27'859
BKF/98/A52	Suivi des accords de l'OMC et évaluation des débouchés internationaux pour les entreprises du Burkina Faso	1998	2000		Ongoing	ITC	315'930	44'084	36'492
BYE/94/003	Support of negotiations on accession to GATT	1994	2000		Ongoing	UNDP/IPF	93'435	91'901	14'113
CPR/91/543	Effective participation in the international trading system	1992	1998		OPC	UNDP/IPF	990'900	961'973	21'345
GHA/98/A54	Follow-up to the WTO Agreements and exploitation of business opportunities by Ghanaian enterprises	1998	2000		Ongoing	ITC	344'248	48'636	44'871
IVC/98/A53	Suivi des accords de l'OMC et évaluation des débouchés internationaux pour les entreprises exportatrices ivoiriennes	1998	2000		Ongoing	ITC	306'194	35'797	28'204
JOR/97/006	• Support for Jordan's integration into the global economy			IALA/UNDP	Ongoing	UNDP	200'000	22'468	22'468
KAZ/98/001	Support of Kazakhstan's accession to the WTO	1998	2000		Ongoing	UNDP/IPF	120'000	101'792	33'754
KEN/98/A55	Follow-up to the WTO Agreements and exploitation of business opportunities by the Kenyan enterprises	1998	2000		Ongoing	ITC	400'885	72'774	69'730
MAG/98/A10	Appui au développement du commerce extérieur de Madagascar	1998	2000		Ongoing	France	78'233	44'198	18'366
MON/97/113	Support to the Government in its initial phase of membership in the WTO	1997	2000		Ongoing	UNDP/SPPD	40'000	24'452	895
NEP/96/010	Nepal's accession to the WTO	1997	2002		Ongoing	UNDP/IPF	831'358	345'311	201'410
TUN/96/007	• Mise à niveau des capacités nationales pour gérer le nouveau système commercial multilatéral	1997	2000		Ongoing	UNDP	58'201	54'267	11'696
UGA/98/A58	Follow-up to the WTO Agreements and exploitation of business opportunities by the Ugandan enterprises	1998	2000		Ongoing	ITC	398'381	80'720	77'111
URT/98/A56	Follow-up to the WTO Agreements and exploitation of business opportunities by the Tanzanian enterprises	1998	2000		Ongoing	ITC	476'991	72'933	70'118
VIE/95/024	• Capacity development for effective and sustainable integration into the international trading system and promotion of trade efficiency	1996	2000	IALA/UNDP	Ongoing	UNDP/IPF	841'700	685'829	197'913

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
ZIM/99/002	Implications of the Uruguay Round and other subregional agreements for the economy and external trade of Zimbabwe	1999	2000		Ongoing	UNDP/SPPD	67'800	52'626	52'626
RAB/91/003	• Appui à l'Union du Maghreb Arabe (UMA)	1994		IALA/UMA	Ongoing	UNDP/IPF	162'500	182'068	20462
RAB/96/001	• Support to the Arab States in economic and social reform and multilateral economic cooperation (Algeria)	1997	2000	IALA/UNDP	Ongoing	UNDP	127'940	71'401	-2'479
RAB/96/001	• Support to the Arab States in economic and social reform: strengthening Bahrain's capacity in the globalization of trade	1997	1999	IALA/UNDP	Ongoing	UNDP	54'545	1'246	-131
RAB/96/001	• Support to the Arab States: effective rates of protection and its interaction on selected aspects of origin (Egypt)	1997	2000	IALA/UNDP	Ongoing	UNDP	34'000	26'021	-9'113
RAB/96/001	• Support to the Arab States in economic and social reform: challenges of the integration of the Arab countries into the multilateral, regional and interregional trading system	1997	2000	IALA/UNDP	Ongoing	UNDP	272'000	227'273	64'553
RAB/96/001	• Support for Jordan's integration into the global economy	1994			Ongoing	UNDP	14'743	10'632	10'632
RAF/94/A34	Post-Uruguay Round assistance to African countries	1996	2000	IALA/UNOPS	Ongoing	Netherlands	376'643	307'374	4'476
RAF/96/001	• Capacity building for trade and development in Africa	1997	2000		Ongoing	UNDP	1'191'929	961'848	568'818
RAF/97/A16	Implementing the General Agreement on Trade in Services (GATS) in Africa (CAPAS)				OPC	Canada/IDRC	279'000	230'860	28'256
RAF/97/A34	Post-Uruguay Round assistance to African countries	1997	2000		Ongoing	France	65'245	30'794	-266
RAF/97/A54	Fostering competitive services sectors in selected African countries	1998	1999		Completed	France	75'354	86'854	13'897
RAF/98/A66	Support in the implementation of ITA/UNCTAD/WTO Joint Integrated Technical Assistance Programme (JITAP)	1999	2000		Ongoing	United Kingdom/DFID	25'812	22'648	22'648
RAF/99/A36	Support to the workshop on developing a proactive and coherent trade agenda for African countries in support of their participation in international trade negotiations	1999	2000		Ongoing	South Africa, OAU/AEC Secretariat	43'363	21'136	21'136
RAS/97/A18	Assistance to countries of the Asian region on MFN and preferential tariffs negotiations	1998	2000		Ongoing	Japan	524'904	377'976	167'343
RAS/97/A35	Training seminar on implications of the WTO accession for development policy for LDCs and acceding developing countries in Asia and the Pacific	1997	1998		Ongoing	Japan	111'198	100'605	8'856
INT/90/A07	TRAINS: Development and dissemination of selected computerized trade data	1991	2000		Ongoing	Multidonors	225'764	229'145	27'385
INT/90/A19	Negotiations for a GSTP among developing countries	1990			Ongoing	Multidonors	1'050'592	1'141'568	127'841
INT/92/A04	TRAINS for GSP	1993	2000		Ongoing	Italy	70'796	56'171	1'915
INT/93/A34	Trade relations and economic cooperation in the Mediterranean region	1993	2000		Ongoing	Italy	529'605	491'597	5'245

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
INT/95/X09	Associate expert - global trade policies	1995	2000		Ongoing	France	333'551	211'852	13'317
INT/95/X68	Associate expert - global trade policies	1995	2000		Ongoing	Italy	337'845	262'448	78'913
INT/96/X43	Associate expert - global trade policies	1996	2000		Ongoing	Netherlands	166'187	212'130	50'382
INT/97/A06	Technical cooperation on market access, trade laws and preferences	1997	2000		Ongoing	Italy, CHINA, European Commission	439'420	393'382	171'738
INT/97/X24	Associate expert - global trade policies	1997	2000		Ongoing	Japan	198'574	208'007	78'179
INT/98/A30	European Commissions support to the technical cooperation project on market access, trade laws and preferences (INT/97/A06)	1998	2000		Ongoing	European Commission	98'111	22'543	22'543
INT/98/A60	Agricultural Trade Policy Simulation Model	1998	2000		Ongoing	United Kingdom/DFID	162'566	61'275	61'275
INT/99/A05	Third WTO Ministerial Conference and future multilateral trade negotiations	1999	2000		Ongoing	Islamic Development Bank	67'000	56'234	56'234
INT/99/A50	UNCTAD trust fund project for WTO accession	1999	2001		Ongoing	United Kingdom/DFID	177'544	11'032	11'032
INT/99/X14	Associate expert	1999	2000		Ongoing	Italy	98'258	13'132	13'132
				Total: Trade analysis and systemic issues			***13'526'325***	***8'859'261***	***2'587'551***
Commodities									
ANG/97/020	Coffee sector review	1997	1999		OPC	UNDP/SPPD	48'037	48'037	223
CHI/99/A58	Scoping study for a project on mining and local sustainable development in Chile	1999	2000		Ongoing	Chile/Rio Tinto	17'700	10'692	10'692
MLW/98/008	Economic aspects of development of agricultural alternatives to tobacco production and export marketing	1998	2000		Ongoing	UNDP/SPPD	51'816	51'816	41'816
SAF/95/A17	Natural resources and commodity production: A framework for sustainable development	1996	2000		Ongoing	Netherlands	57'988	57'007	2'785
SWA/99/A06	Sugar policy in Swaziland	1999	2000		Ongoing	Common Fund for Commodities	25'000	21'291	21'291
INT/87/A05	Role of the minerals sector in the development process of developing countries	1988	2000		Ongoing	Norway, Sweden	196'220	195'737	1'216

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
INT/91/A41	Microcomputer-based Commodity Analysis and Information System (MICAS)	1991	1998		Completed	Multidonors	394'234	394'221	738
INT/94/A58	Environmental cost internationalization in the commodity sector	1994			Completed	UNEP	70'000	63'486	1'364
INT/95/A39	Statistical Review of International Trade in Metal Waste and Scrap	1995	1999		Completed	Canada/ICME	39'262	39'320	-34
INT/95/A91	Modern commodity marketing mechanisms	1995	1999		OPC	Switzerland	256'637	259'039	10'499
INT/96/A26	Commodity risk management and finance	1996			Ongoing	Multidonors	133'219	147'656	47'421
INT/96/A38	Clearing house for natural resources information: Pilot project on mineral resources	1997	2000		Ongoing	Netherlands	47'343	47'020	3'980
INT/99/X12	Associate expert	1999	2000		Ongoing	Japan	102'604	53'267	53'267
					Total: Commodities		***1'440'060***	***1'388'589***	***195'258***
Trade, environment and development									
IND/97/955	Strengthening capacities for trade and environment policy coordination in India	1998	2000		Ongoing	UNDP/SPPD	172'400	160'934	150'434
PHI/96/015	• Capacity building on management of hazardous waste	1998	1999		OPC	UNDP	25'228	25'478	250
RAS/97/A37	Creation of multi-stakeholder advisory panel on sound and cost-effective management of health and environmental risks	1997	2001		Ongoing	Australia, Canada, India, Philippines, Rep. of Korea	500'000	25'965	4'715
RLA/99/A46	Implementation of UNCTAD's Biotrade Initiative in the Amazon (Start-up Phase)	1999	2000		Ongoing	UNFIP	47'600	47'331	47'331
INT/92/207	Reconciliation of environmental and trade policies	1992	1999		OPC	UNDP/SPR	496'950	478'316	4'800
INT/92/A06	Reconciliation of environmental and trade policies	1992	1999		Ongoing	Netherlands, Norway	637'866	605'702	44'434
INT/92/A31	Developmental aspects of global environmental deliberations	1992	1999		Completed	Italy	132'743	125'640	1'362
INT/93/A48	Trade and environment	1994	2000		Ongoing	UNEP	217'214	206'094	-920
INT/95/A58	Environmental factors and trading opportunities for developing countries	1995	2000		Ongoing	Italy	188'500	188'397	10'322
INT/96/X71	Associate expert - trade and environment	1997	2000		Ongoing	Netherlands	179'027	172'082	63'539
INT/97/A50	BIOTRADE Initiative programme	1997	2000		Ongoing	Multidonors	228'324	157'155	52'251
INT/98/A11	Information sources on international trade rules and services for the fruits and vegetables sector	1998	2000		Ongoing	Switzerland (Société générale de surveillance)	124'500	87'857	-759
INT/98/A27	Trade, environment and investment	1998	2000		Ongoing	Germany	53'097	38'312	18'657

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
INT/98/A61	Strengthening research and policy-making capacity on trade and environment in developing countries	1999	2000		Ongoing	United Kingdom/FIELD	391'814	185'721	185'721
INT/98/A63	Trade and environment policies: research on "win-win" situations	1998	1999		OPC	United Kingdom/DFID	4'601	4'601	14
	Total: Trade, environment and development						***3'399'864***	***2'509'595***	***582'151***
Competition law & policy & consumer protection									
RAF/97/A41	Institutional and capacity building in competition law and policy for African countries	1997	2000		Ongoing	Netherlands	362'152	243'310	25'606
INT/86/A01	Training programme on RBPs (competition policies)	1986			Ongoing	France, Norway, Sweden/SIDA	714'590	559'649	118'493
INT/95/X69	Associate expert - global trade policies	1995	2000		Ongoing	Italy	219'454	203'955	22'469
INT/96/A19	Strengthening competition policy and legislation in developing countries and countries in transition	1996			Ongoing	Netherlands	116'054	111'992	7'170
	Total: Competition law & policy & consumer protection						***1'412'250***	***1'118'906***	***173'738***
	Total: DIVISION ON INTERNATIONAL TRADE IN GOODS AND SERVICES, AND COMMODITIES						***19'778'499***	***13'876'351***	***3'538'698***

C. Division on Investment, Technology and Enterprise Development

1. International investment, transnationals and technology flows

(a) Identifying and assessing implications for development of issues relevant to international investment agreements (IIAs)

157. ***Development context:*** The discussions and negotiations on IIAs at the bilateral, regional and multilateral levels have proliferated in recent years, and given new momentum to the involvement of developing countries and economies in transition in those discussions and/or negotiations. These discussions require that delegates and others participating in them be thoroughly familiar with key issues concerning FDI and especially their development dimension, as well as with key concepts likely to be considered in the context of IIAs.

158. ***Objectives:*** The objectives of this programme follow the UNCTAD IX Midrand Declaration "A Partnership for Growth and Development" (TD/377, paragraph 89b), stipulating UNCTAD's role in identifying and analysing implications for development of issues relevant to a possible multilateral framework on investment. The prime objective of UNCTAD's work in this area is to help developing countries and economies in transition to participate as effectively as possible in international discussions on investment rule-making, be it at the bilateral, regional, plurilateral or multilateral level. This reflects the need for greater information, transparency and proper economic and legal analysis of this subject. More specifically, UNCTAD's work aims at consensus-building and seeks to help developing countries to deepen their understanding of the issues involved, explore the range of problems that need to be considered, identify interests, and, in particular, ensure that the development dimensions are understood and adequately addressed.

159. ***Features:*** Important features of this programme of work are: (i) the preparation of a series of *Issues in International Investment Agreements Papers*, whose primary objective is to provide analytical stocktaking of approaches to the issue under consideration in the context of international arrangements on investment, with particular emphasis on the development dimension, including a comprehensive analysis and documentation of how a particular concept has been used and what are the legal, economic and development trade-offs associated with different approaches; (ii) the organization of a series of regional symposia and seminars for Geneva-based delegates; (iii) the organization of a number of training courses for diplomats and government officials on matters related to IIAs; and (iv) the organization of public/private sector dialogues on issues related to IIAs.

160. Parts of the work programme (in particular the seminars for Geneva-based delegates) are jointly implemented with the WTO. UNCTAD also cooperates with, and draws upon the work done by, relevant international organizations dealing with IIAs. In particular, UNCTAD is following

closely the work and the discussions within the WTO and is providing inputs to the Working Group on the Relationship between Trade and Investment. Experts from other organizations such as the IMF, the OECD and the ICC have also been involved in work undertaken so far in this area. In addition, various other organizations have cooperated in the implementation of different parts of this programme, including the Secretariat of the Andean Community, the Inter-Arab Investment Guarantee Corporation, the League of Arab States, the Organization of American States, Organisation Internationale de la Francophonie, the United Nations Department for Economic and Social Development, UNDP and the World Trade Organization, as well as non-governmental organizations that included the Centro de Estudios Interdisciplinarios de Derecho Industrial y Económico - Universidad Buenos Aires, the Consumer Unity and Trust Society (India), the Economic Research Forum (Cairo), the European Round-table of Industrialists, the Friedrich Ebert Foundation, the International Confederation of Free Trade Unions, Oxfam, SOMO - Centre for Research on Multinational Corporations, the Third World Network, Universidad del Pacífico, University of the West Indies, and the World Wildlife Fund International.

161. ***Outputs/results/impact:*** In 1999, five regional symposia were implemented. The regional symposium for Arab countries took place in Cairo, Egypt, on 17 and 18 May 1999. Hosted by the Government of Egypt and jointly organized with the Inter-Arab Investment Guarantee Corporation, with the participation of the League of Arab States, the symposium included 70 participants from 20 Arab countries. The Asia symposium was followed by a round table with NGOs, co-organized by UNCTAD and the Economic Research Forum, that took place on 20 May 1999. An interregional symposium was held on 9 and 10 September 1999 in Xiamen, China. Drawing on the experience and lessons learned of government experts from over 30 countries, discussions were held with a view to enhancing the development dimensions of IIAs, be they at the multilateral, regional or bilateral levels. A symposium for least developed countries on the development implications of IIAs was held in Geneva from 29 September to 1 October 1999, attended by 28 participants from 27 LDCs; it placed special emphasis on the need to strengthen LDCs' negotiating capacity. The regional symposium for Latin American and Caribbean countries took place in Caracas, Venezuela, from 6 to 8 December 1999. Attended by 41 representatives from 16 countries from the region, the symposium focused on regional perspectives with regard to IIAs. The meeting provided government officials with an opportunity to draw lessons from the negotiation of IIAs so far and to reflect on future deliberations and negotiations, with a regional perspective. The symposium was followed by a national workshop on IIAs for a group of junior diplomats and negotiators from the Government of Venezuela. The subregional symposium for Central American countries took place in Guatemala City, Guatemala, from 9 to 11 December 1999. Jointly organized with SIECA (and with USAID providing financing through its PROALCA support to SIECA), the event was hosted by the Government of Guatemala. Attended by 58 participants from seven Central American States, it reviewed subregional initiatives with regard to an investment framework. It was the first time that representatives from academia and civil society were involved as a consultative group in discussions

about a possible subregional investment framework. The participants welcomed this initiative as being extremely helpful for fostering dialogue among themselves. Finally, a subregional symposium for South Asian countries took place in Colombo, Sri Lanka, on 14 and 15 December 1999. This symposium, organized at the request of the member countries of SAARC, was attended by nine countries of the region. Its discussions dealt with, among other things, a SAARC investment framework.

162. Also during 1999, the third joint WTO/UNCTAD Geneva seminar was organized in Evian-les-Bains, France, on 21 and 22 April 1999. The event included representatives of civil society. UNCTAD was requested by interested negotiators to examine further the investment question in the context of the WTO Ministerial Conference in Seattle in November/December 1999 and to develop possible scenarios in this respect. A meeting took place on 2 and 3 October 1999 in Glion-sur-Montreux, Switzerland, bringing together negotiators involved in the Seattle Ministerial Conference to exchange views and discuss possible options for developing countries as far as the issue of investment is concerned.

163. In addition, the secretariat organized, at the request of the G-15 and in cooperation with the United Nations Department for Social and Economic Development and the Government of Sri Lanka, a double taxation treaty and training workshop in Colombo, Sri Lanka, from 9 to 14 December 1999, where six member countries of the G-15 negotiated a number of double taxation treaties. Also during 1999, the secretariat provided assistance to the Andean Secretariat on the modernization of its regional framework for FDI.

164. The impact of this programme of work was assessed by an independent evaluation that was commissioned as an integral part of the programme. The results of the evaluation are described in document TD/B/47/2 -TD/B/WP/125, "Overview of technical cooperation activities".

(b) UNCTAD-ICC Project on "investment guides and capacity building for least developed countries

165. ***Development context:*** The joint UNCTAD-ICC project on investment guides and capacity building for least developed countries was launched at a meeting between the Secretary-General of the United Nations and the international business community, represented by the International Chamber of Commerce (ICC), in February 1998. Among the major obstacles that least developed countries face in achieving their full development potential is a lack of investment, including foreign direct investment (FDI). Even though it has come to be widely recognized that FDI can play an important positive role in economic development, and even though developing countries have for most of the past decade attracted an increasing share of global FDI inflows (around $827 billion in 1999), the LDCs are receiving less than half of 1 per cent of these flows.

166. ***Objectives:*** The project is a response to this situation. It aims at reducing the information gap in investment opportunities in LDCs by providing potential investors with relevant information on investment conditions and opportunities in these countries. In addition, the preparation of the investment guide in each country will enable a dialogue between policy makers and investors on how best to improve the conditions for foreign investors in the countries.

167. ***Features:*** The project has two components:(i) the preparation of investment guides which provide objective and up-to-date information on investment conditions in LDCs, and (ii) investment-related capacity building in LDCs. The strategy of the project includes two workshops in each country in which the project is implemented, held in cooperation with the country's investment promotion agency. The pilot phase of the project involves six countries: Bangladesh, Ethiopia, Madagascar, Mali, Mozambique and Uganda. Twenty-eight internationally known companies are championing the project and contributing in kind by participating in the substantive work. Other features are the following:

Close cooperation with the private sector

168. The role of the private sector, including in particular the 28 project champions, has been crucial in all countries in which the project is being implemented. The champions have offered input into the structure of the guide, feedback on investment conditions in individual countries, feedback on drafts of the guides, and other practical assistance. Since the intended readership of the UNCTAD-ICC guides consists of potential foreign investors, the champions are in effect also playing a role in strengthening the credibility of the guides with the target readership. The project champions are: Agip, Akzo Nobel, Anglogold, BNP, BAT, Bata, Bayer, BP, Cargill, Coca-Cola, Commonwealth Development Corporation (CDC), DaimlerChrysler, Eskom, Hilton Hotels International, Marubeni, Moving Water Industries, Myungsung International Development, Nestlé, Novartis, Rio Tinto, Shell, Sheraton Hotels International, Siemens, SGS, South African Breweries, Standard Chartered Bank, Unilever and Vodafone. The participation of the private sector, both foreign and domestic, also has a more fundamental and long-term significance in so far as the project serves as a catalyst in initiating or strengthening an ongoing dialogue between investors and Governments on improving the investment climate.

An elaborate dissemination plan

169. A dissemination plan has been developed and is in the process of being implemented. The UNCTAD-ICC series of investment guides is being advertised by means of a flyer, through *Corporate Location* magazine (which has 11,000 subscribers involved in making corporate location decisions), national committees of the ICC, outward investment agencies of major home countries, a variety of business and industry associations, and events such as Expo 2000 in Hannover, Germany.

170. The project showcases the close working partnership that now exists between the United Nations and international business, and brings together the development expertise of UNCTAD with the international business perspective of the ICC.

171. **Outputs/results/impact**: Work has been completed in Ethiopia and an advance copy of the *Investment Guide to Ethiopia* was presented to the UN-ICC meeting of 5 July 1999, as well as being made available on the following Internet address:
www.ipanet.net/ipanet/unctad/investmentguide/ethiopia.htm.
A revised version of the Ethiopia guide is currently being printed and is expected to be available soon. Also, work has nearly been completed in Mali. The *Investment Guide to Mali* is currently in final revision and publication is expected by June. The guide will appear in French as well as English. The next two countries in which the project is expected to be implemented are Mozambique and Uganda.

2. National innovation and investment policies

(a) FORINVEST: policy framework for attracting foreign investment

172. ***Development context:*** With the globalization of economic activities, driven by increased liberalization, more and more developing countries are seeking investment by transnational corporations. This materializes in a proactive policy designed to maximize foreign investment flows with a view to increasing external capital/foreign exchange, exports, employment and training, technology capacity and management and marketing skills.

173. ***Objectives:*** To assist developing countries in strengthening their capacity to create and manage the policy and operating climate in which foreign investment and international business can thrive.

174. ***Features:*** FORINVEST provides advisory services and training packages related to investment policy, investment legislation, investment codes, sector policies governing the participation of transnational corporations in specific sectors, technology transfer and mechanisms for attracting investment (such as export processing zones, industrial estates and build-operate-transfer arrangements).

175. ***Outputs/results:*** During the reporting period, components of the FORINVEST programme were implemented in Albania, Bangladesh, Bolivia, Djibouti, Gambia, India, Jordan, Sudan, Uganda, Vanuatu, and the West Bank and Gaza Strip. Furthermore, UNCTAD was involved in a number of regional initiatives. The following cases exemplify how the programme was implemented:

(a) *Jordan.* At the request of the Government of Jordan, UNCTAD assists in developing an initiative to strengthen the competitiveness of the mining and minerals sector and

thus to attract foreign investment into mining and mineral processing activities. A three-phase strategy is being pursued involving (i) a review of the legal and fiscal framework of the mining and minerals sector; (ii) a comprehensive analysis of the competitiveness of the mining and minerals sector culminating in the preparation of an Action Plan for its promotion; and (iii) the implementation of an action plan through a series of training measures aimed at strengthening Jordan's capacity to promote the mining sector and to target appropriate investors. Overall, the project aims to foster private sector development through good governance, focusing especially on the proactive developmental role which can be played by Jordan's Natural Resources Authority and the Investment Promotion Corporation.

(b) *Group of Arab countries.* In 1997, a regional project was initiated to harmonize relevant business legislation in Arab countries. For this purpose, local legal consultants completed studies of the business legislation in Egypt, Lebanon, Morocco and Saudi Arabia. The studies served as major input to a regional seminar, which was held in Beirut, Lebanon, in September 1998. The declaration adopted by the seminar participants from 14 Arab countries calls for the continuation of the harmonization process and the establishment of annual meetings to discuss investment and its promotion in the Arab world. The first follow-up seminar, to become an annual event, took place in Morocco in June 1999. The next seminar is supposed to take place in Bahrain in the year 2000.

(b) Investment policy reviews (IPRs)

176. ***Development context:*** In today's more competitive environment for foreign direct investment, a number of countries have requested independent assessments of their investment policies and business environment, which they hope will identify their strengths and weaknesses in terms of attracting FDI.

177. ***Objective:*** The objective is to provide developing countries with an external tool for assessing how they stand today in attracting FDI of the right kind in consonance with stated national objectives, and incorporating a medium- to long-term perspective on how to respond to emerging regional and global opportunities.

178. ***Features:*** IPRs encompass the following: (i) an examination of the country's objectives and competitive position in attracting FDI; (ii) an audit of the country's FDI policy framework and administrative structures and procedures; (iii) a survey of firms to obtain investor's perceptions and experiences; (iv) a round-table meeting of stakeholders to discuss preliminary findings, policy options and recommendations; and (v) a presentation at appropriate intergovernmental and international forums whereby other Governments and private sector representatives can familiarize themselves with

the country's investment environment and policies, and the country officials can also benefit from the peer review.

179. ***Outputs/results:*** In 1999, IPRs were completed for Egypt, Peru, Uganda and Uzbekistan. The Commission on Investment and Related Financial Matters examined the investment policy review for Egypt and endorsed its recommendations. Other reviews are being implemented in Ecuador, Mauritius and Zimbabwe and are planned for Ghana, the Islamic Republic of Iran, Kenya and Pakistan. Reviews are carried out on request and subject to the availability of resources and the desirability of ensuring diversity of development experiences and wide geographical coverage.

(c) TRANSACT: negotiating international business arrangements

180. ***Development context:*** Successful agreements in today's complex international business environment require a command of innovative financial techniques and sophisticated legal and fiscal structures, as well as expertise in a variety of other disciplines.

181. ***Objectives:*** To assist Governments (and the private sector) in developing countries and countries with economies in transition in tackling the whole range of issues that arise in their negotiations with foreign investors, especially transnational corporations.

182. ***Features*****:** TRANSACT provides advisory services and training packages for investment projects, sector regimes, construction contracts and joint ventures, as well as for related technology transfer, finance and taxation issues.

183. ***Outputs/results:*** In 1999, components of the TRANSACT programme were implemented in Gambia, the Government of which was assisted in preparing a model agreement in the electric power distribution sector.

(d) STAMP: strengthening/streamlining agencies concerned with maximizing and promoting FDI

184. ***Development context:*** In an environment of increased liberalization, countries have been adopting a very proactive policy of maximizing foreign investment flows, subject to the terms and conditions that prevail in a given environment.

185. ***Objectives:*** To assist developing countries and economies in transition in strengthening their investment institutions – especially investment promotion agencies (IPAs) – in streamlining their modes of operation and approval processes, in monitoring the quantity, quality and impact of inflows, and in promoting their host country as attractive locations. Special attention is being given to the institutional strengthening of IPAs in Africa and investment promotion efforts for the African region.

186. ***Features:*** STAMP provides advisory services and training packages relating to (i) the setting up of an investment promotion agency from scratch or clarifying the identity, role and powers of existing institutions; (ii) establishing effective "one-stop" agencies; (iii) procedures and practices that could be employed in encouraging and evaluating foreign investment inflows; (iv) the development of an information system capability to both effectively register/record inflows and assess the impact on employment, taxation, balance of payments, training and technological development, and backward and forward linkages; and (v) the setting up of information systems, organizing promotional visits and promotional material (including brochures) and arranging investment round tables.

187. ***Outputs/results:*** In 1999, components of the STAMP programme were implemented in Albania, Bangladesh, Bolivia, Brazil, Djibouti, Gambia, Ivory Coast, Jordan, Pakistan, Uganda, Vanuatu, and the West Bank and Gaza Strip. Furthermore, UNCTAD was involved in a number of regional and interregional initiatives and in the work of the World Association of Investment Promotion Agencies (WAIPA). The following cases exemplify how the programme was implemented:

(a) *African region*. In December 1999, NIIP organized in cooperation with the World Association of Investment Promotion Agencies and the Uganda Investment Authority a regional workshop on investor targeting for representatives from African investment promotion agencies. Twenty-eight officials, representing thirteen investment promotion agencies, participated in the workshop. In addition to a two-day intensive course on investor targeting, the participants had the opportunity of one-to-one sessions with international experts to discuss issues related to their promotion work.

(b) *World Association of Investment Promotion Agencies (WAIPA)*. In continuing its support to WAIPA, UNCTAD co-organized the Fourth Annual WAIPA Conference, which took place in Geneva from 25 to 26 May 1999. The conference was hold in parallel to the Emerging Market International Fair, in which 26 WAIPA members from developing countries exhibited investment opportunities and networked with European investors. Furthermore, UNCTAD organized an investor-targeting workshop as part of the programme of the annual conference, which was attended by about 50 representatives from investment promotion agencies. In the context of the WAIPA initiative, the following publications were prepared by UNCTAD: (i) the annual WAIPA Report 1998/1999; (ii) the 1999 World Directory of Investment Promotion Agencies; and (iii) *Pro-Invest* news bulletin, a newsletter for investment promotion agencies. In 1999, UNCTAD continued to assist the WAIPA secretariat, which has become independent and is funded by the contributions of WAIPA members. Additional training activities for investment promotion agencies from low-income countries have been organized. In addition to a training workshop for African investment promotion agencies, study tours were organized for young investment promotion officials from Lesotho, Nepal, Uganda and Vanuatu, who visited investment promotion agencies in Jamaica and Malaysia.

(e) STIPs: science, technology and innovation policies

188. ***Development context:*** The purpose of science, technology and innovation policy reviews is to enable developing countries to evaluate the efficiency with which their scientific and technological, as well as industrial, economic, educational and social, institutions and mechanisms contribute to the development - particularly technological development - of their enterprises. By enriching the knowledge of how these policies are designed and applied, the reviews will help countries to improve their policies, while at the same time opening up opportunities for greater international cooperation.

189. ***Objectives:*** The STIP review is intended to facilitate effective integration of science and technology policies with development planning through, *inter alia*, establishing constructive dialogue between different agencies responsible for technology, investment, agriculture, trade, education and related issues with a view to building up and strengthening local technological capabilities and resources. In examining such issues, the STIP review aims at enhancing the policy-making capability of Governments with respect to innovation and strengthening the technological infrastructure.

190. ***Features:*** At the invitation of the relevant authorities, the UNCTAD secretariat carries out a brief programming mission in the participating country and jointly, with the local authorities, designs the content and the guidelines of the country's background report. Following the completion of the background report by the national authorities, a small team of international experts, chosen jointly with the participating country, carries out an independent evaluation of the country's science, technology and innovation (STI) conditions and policies. Subsequently, the international review teams prepares a brief evaluation report, with the secretariat acting as a rapporteur, containing its own assessment of the STI system in the country and suggests appropriate policy options. Finally, a round-table meeting is held in the country itself between the international experts, the secretariat and the key local players in the STI, to discuss preliminary findings, policy options and recommendations.

191. ***Outputs/results:*** In 1999, the STIP review in Ethiopia was completed and prepared for publication. The STIP review in the United Republic of Tanzania was initiated in 1999. Requests have been received from Ecuador and Peru.

3. Enterprise development

(a) EMPRETEC - entrepreneurship and SME development

192. ***Development context:*** Increasing the number of entrepreneurs in developing countries can provide the impetus for a vigorous developmental process, which generates a dynamic business environment with a multitude of new employment opportunities. In many cases, however, market imperfections work against small and medium-sized enterprises (SMEs), inhibiting the emergence of the entrepreneur and the growth of SMEs. For example, SMEs lack access to markets, finance, technology and business skills.

193. ***Objectives:*** UNCTAD's activities in this area directly promote entrepreneurship and SME development through public-private sector dialogue, policy coherence, rationalization of business development services, networking, clustering and partnering. The technical cooperation programme aims at stimulating employment creation, technology transfer and exports through development of indigenous entrepreneurs and innovative SMEs.

194. ***Features and outputs:*** EMPRETEC, the entrepreneurship innovation and partnering programme, is an integrated capacity building programme promoting the creation of sustainable support structures that help promising entrepreneurs build innovative and internationally competitive SMEs, thereby contributing to the development of a dynamic private sector. Beneficiaries of the programme are as follows: (i) micro, small and medium-sized enterprises; (ii) agribusiness entrepreneurs aspiring to professionalize their enterprise and take advantage of the internationalization of markets; (iii) public sector institutions undergoing reform; and (iv) universities and training centres looking for employment opportunities for their graduates. Women constitute 35-40 per cent of the direct beneficiaries of EMPRETEC.

195. Since EMPRETEC's inception in 1988, the programme has become operational in Argentina, Botswana, Brazil, Chile, Colombia, Ethiopia, Ghana, Morocco, Nigeria, Peru, the Russian Federation, Uruguay, Venezuela and Zimbabwe, assisting more than 15,000 entrepreneurs through 34 market-driven local EMPRETEC centres.

196. The EMPRETEC methodology is common to all the EMPRETEC programmes; however, national programmes are tailored to the local market situation and demand. In addition, the different national programmes have developed their own package of special products, depending on local demand and the characteristics of counterpart organizations. Thus EMPRETEC effectively contributes to strengthening entrepreneurial skills, creating new long-term jobs and promoting exports.

197. ***Outputs/results/impact:*** With a view to strengthening the management of the programme, an internal analysis identified the strengths and weaknesses in the management of EMPRETEC at the

international level. On the basis of this analysis and of discussions with the EMPRETEC National Centres in the countries where EMPRETEC is operational or being installed, a strategy was formulated to bring about and implement substantive improvements.

198. Activities were undertaken in the following areas during 1999:

(a) *Legal issues.* With the assistance of a legal consultant on intellectual property rights, a series of documents were drafted, and are currently being used, to regulate the relationship between UNCTAD and the EMPRETEC National Centres, as well as to define the limits to the use of the name, logo and methodologies of EMPRETEC and its products/services.

(b) *Image/new positioning.* The marketing policy for EMPRETEC products has been updated and redefined, emphasizing the concrete benefits generated by the Programme. During 1999 the publication *EMPRETEC, the first ten years*, which integrates the rich experience and diversity of the programme and the lessons learned during this period, was completed.

(c) *Creation of a technical committee.* In October 1999, EMPRETEC/Geneva organized an Expert Meeting in Brazil in which senior trainers and advisers from EMPRETEC National Programmes participated. A new technical body was created, whose main responsibilities are to set a coherent worldwide policy for EMPRETEC services; control the quality of the products/services provided under the EMPRETEC name; evaluate new products/services offered by third parties; adapt the methodologies already being used to new demands; help transfer and adapt services locally developed by the different EMPRETEC Programmes; and organize a systematic training programme for trainers.

(d) *EMPRETEC Services Network (ESN).* At the 1999 Directors' Meeting it was proposed tht a network be created that would benefit the EMPRETEC participants by providing services to facilitate the promotion and commercialization of their products; make available a virtual forum to exchange experiences and information on various issues; and provide a vehicle to promote tailor-made training.

(e) *Development of services for the agribusiness sector.* During 1999 discussions were held with UNIDO, FAO and the Fair Trade Organization (Netherlands) to develop a practical assistance module for the agribusiness sector, coordinating inputs from various specialised agencies.

(f) *International Meeting of Directors*. In October 1999, during the eighth annual international meeting of Empretecos UNCTAD organized the third international meeting of EMPRETEC Directors and Coordinators, attended by 32 Directors and Coordinators from Africa and Latin America. This meeting was the culmination of the process started by UNCTAD to foster closer links with National Programmes and among National Programmes.

(g) *Strengthening the leadership of EMPRETEC/Geneva*. Missions were undertaken to Latin America (September 1999), including Argentina, Brazil, Bolivia, Chile, Paraguay, Uruguay and Venezuela; and to Ghana (December 1999) to meet with the National Directors of Botswana, Ethiopia, Ghana and Zimbabwe, and the Coordinators of Mozambique and South Africa.

(h) *Support Centres in Spain and Germany*. During 1999, several meetings took place to discuss the creation of Support Centres for participant EMPRETEC enterprises in Latin America which are involved in importing and exporting activities. These centres would be situated in Barcelona and Westfalia. The European counterparts offered to provide logistical and financial support for the creation of the two centres. This would serve to facilitate the integration of Latin American SMEs into the European market.

(i) *Statistical data*. As a preliminary activity for the implementation of the "Performance Indicator System" mentioned under item IV, it was agreed to gather information resulting from activities and the impact of the Programme at the local and international level. This responsibility was taken by the programmes, which are in their mature phase of operation. The information received shows that:

- There are more than 25,000 participants in the EMPRETEC Programme;
- The survival percentage among enterprises that started working with the Programme 3 years ago is 75 per cent;
- Participant EMPRETEC enterprises have contributed to generating more than 5 per cent of employment;
- Twelve of the 14 programmes already installed have reached the financial break-even level;
- Fifty-five per cent of the follow-up activities or of new EMPRETEC sub-programmes are being financed by direct inputs from beneficiaries (people or institutions). The

other 45 per cent are covered by inputs resulting from bilateral or multilateral cooperation or from the national Governments;

- During 1999, more than 60 new national trainers and advisers were trained in the EMPRETEC methodologies.

199. **Central America and Panama:** During the Partners for Development Summit in Lyon, in November 1998, a partnership was signed between the Inter-American Development Bank (IDB) and UNCTAD for the development of an EMPRETEC programme in Central America and Panama. On the basis of the outcomes of a joint mission to the region in spring 1999, UNCTAD, the IDB and EMPRETEC Uruguay identified local counterparts and formulated a three year $2.7 million project for El Salvador, Guatemala and Panama. The project was approved, in November 1999, by the Multilateral Investment Fund of the IDB which agreed to finance two thirds of the project costs. The national counterpart organizations agreed to finance the remaining one third of the project. They will function as project executing agencies and help create EMPRETEC National Centres in their country. The operational phase of the programme started in January 2000. In August 1999, an EMPRETEC workshop was organized in Antigua, Guatemala, to provide the different parties involved in the Central American programme with a better insight into the EMPRETEC methodology and operations.

(i) Mediterranean 2000

200. ***Objectives:*** The central purpose of Mediterranean 2000 - a three-year capacity building programme - is to contribute to economic and social development by strengthening institutional capacity to support SMEs to grow and compete in ten developing countries in the Mediterranean Basin and the Horn of Africa. SMEs in these ten countries are intended to be able to participate in the future regional free trade area. Its gradual opening will hopefully provide sufficient time for the region's SMEs to modernize and be ready to successfully compete in fully liberalized markets.

201. ***Features:*** The process of economic liberalization has to be accompanied by appropriate action and support measures to enable SMEs to survive and grow in the new environment. Besides having a multi-country approach, the programme has a multi-agency focus. Various international agencies such as the ILO, ISO, ITC, UNCTAD and UNIDO are being encouraged to intervene in an integrated manner while executing their own SME development projects. Through entrepreneurship training, enterprise networking, follow-up support services, and cross-country activities, the programme will assist policy makers, institutions and SMEs of the region to enhance their entrepreneurial dynamic and their innovative capacity, build their technological competence, improve the quality of their products, facilitate their access to project financing, strengthen their export skills and trade efficiency, establish business linkages, and thereby help them to improve their international competitiveness.

202. ***Output/results:*** During 1999 activities were started or consolidated in Egypt, Ethiopia, Jordan, Morocco and with the Palestinian territory. In Ethiopia and Morocco activities are well advanced in terms of EMPRETEC and Trade Points. In Egypt, Jordan and the Palestinian territory the Trade Points are also well advanced. Two investment policy reviews have been conducted in Egypt and Ethiopia, and an investment guide has been produced for Ethiopia. Two formal interagency meetings have taken place as well as many informal consultations. A promotional folder on Mediterranean 2000 has been prepared in order to raise awareness of the programme in the ten beneficiary countries.

203. **EMPRETEC activities in Ethiopia:** In 1999 the Advisory Board was installed and three board meetings were held under the chairmanship of the Vice-Minister for Trade and Industry. Project premises were selected; the Project Director was appointed in May and undertook a study tour to Accra, Ghana, to meet Enterprise Africa and EMPRETEC Ghana staff in Accra and Kumasi. The recruitment of further staff was completed in November. The project now has a full complement of staff consisting of a director, a programme officer responsible for training, a programme officer responsible for post-training activities, an information technology specialist, a finance/administration officer, a secretary and general service staff. The first Entrepreneurship Training Workshop (ETW) was held from 6 to17 December. The official launch of the Enterprise Ethiopia programme coincided with the graduation ceremony of the first ETW on 17 December 1999 in the presence of high-level representatives of the Government of Ethiopia, the UN, other stakeholders and the media.

204. **EMPRETEC activities in Morocco:** UNCTAD is helping the Office de la Formation Professionnelle et de la Promotion du Travail (OFPPT) to develop the managerial and training capacity to execute EMPRETEC Maroc, and to link it to the worldwide network of EMPRETEC entrepreneurs. During the 1999 personnel for EMPRETEC Maroc were selected and inducted, the project document was finalized, the second entrepreneurship training workshop conducted and the Mediterranean 2000 programme marketed with public and private stakeholders in Morocco. In June the two Moroccan project managers travelled to Ghana on a study tour to learn about the establishment and running of the EMPRETEC Ghana Foundation. Ongoing activities in Morocco include the formation of an EMPRETEC Business Association and the development of websites for EMPRETEC participants. A proposal for the long-term sustainability of EMPRETEC Maroc, prepared by UNCTAD, is under consideration by the Government and counterpart. Cooperation has been initiated with UNIDO in the areas of selected sub-sectors and clusters.

205. **EMPRETEC activities in the Palestinian territory and Jordan:** At the request of the Government of Jordan and the Palestinian Authority (PA) an initial fact-finding mission to Jordan and the Palestinian territory was undertaken from 16 to 23 October. The purpose of the mission was (a) to confirm the interest of the Government and key stakeholders in the Mediterranean 2000/EMPRETEC programme; (b) to assess the viability of the EMPRETEC programme and its approach; (c) to ascertain the need for the programme; (d) to establish contacts with potential

stakeholder organizations, and (e) to prepare for a comprehensive programming mission in March 2000. Consultations with entrepreneurs, government representatives and donors in Jordan and the Palestinian territory revealed the need for the EMPRETEC methodology. Initial observations confirm a niche role for the EMPRETEC programme. The project design would involve close coordination and cooperation with already ongoing donor activities. The mission to the PA was closely coordinated with UNIDO's team leader for the Palestinian Authority. A draft proposal for cooperation was prepared and discussed.

(ii) Centres for Innovation and Enterprise Development

206. ***Objectives:*** The Centres for Innovation and Enterprise Development (CIEDs) constitute an emerging network of change-generating agencies designed to promote technological innovation in manufacturing firms, and to stimulate the development of networks for innovation among firms, and between firms and local knowledge-producing institutions.

207. ***Features:*** The programme's pilot phase includes Côte d'Ivoire, Ghana, the United Republic of Tanzania and Zimbabwe. CIEDs have been established in Kumasi (Ghana) and Harare (Zimbabwe).

208. ***Output/results:*** During 1999 the CIED diagnostic tool kit, developed earlier at a meeting in Geneva, was adapted and refined. The Change Assessment and Screening Tool (CAST) in particular saw some radical changes, while the General Information Seeking Tool (GIST) was largely maintained in its original form. The In-Depth Enterprise Assessment System (IDEAS), which had not been completed at the Geneva meeting, saw further development activity with several of the modules being completely rewritten. *Ghana*: By the end of April 1999 CAST and GIST had been applied to all but three of the 30 identified wood-processing firms. Six Technological Innovation Projects (TIPs), relating mainly to energy management, kiln drying, industrial engineering and strategic planning, were initiated and two of the feasibility study reports on energy management have been completed. Successful engagement with a number of these firms has paved the way for the selection of another 30 firms, drawn from the furniture, engineering, food-processing and pharmaceutical sub-sectors. The process of applying CIED's IDEAS to five of the wood-processing firms began with a High-Level Roundtable for Wood Processing Industry Executives in May 1999. Application of the CAST/GIST diagnostic tools to this second wave of firms, which includes some 15 EMPRETEC client firms in Kumasi, will be concluded in early 2000. *Zimbabwe:* In 1999 two CAST/GIST workshops were held in Harare with good representation of client firms. A third CAST/GIST workshop was held in Bulawayo with 10 participants. Practically all targeted firms have been covered by the CAST/GIST process. Client firm follow-ups with case studies and the IDEAS process began with most of the client firms. The process has led to the identification of a number of sector-specific needs and priorities which the CIED has begun to address at the level of the firms, including

improvements in plant layout and training needs assessment which led to the linking up of a number of firms with existing training services.

(b) Other SME development programmes

(i) Enhancing public-private sector dialogue in LDCs

209. ***Features:*** National consultants from four countries (Ethiopia, the United Republic of Tanzania, Cambodia and Madagascar) are to produce a report on their respective countries which examines, *inter alia*, the following issues: the extent to which public-private sector dialogue has resulted in a coherent policy framework in the areas of enterprise development; the structure of the dialogue in terms of its objectives, its participants and the issues addressed; the mechanisms for public-private sector interaction; and the particular problems of SMEs in engaging in dialogue with the Government and how they are being resolved. These reports will form the basis for policy recommendations and background material for seminars at the national level.

210. ***Output/results:*** During the reporting period, a study entitled "A Survey on Good Practice in Public-Private Sector Dialogue" was prepared as a benchmark and complement to the country reports. National consultants for Madagascar and the United Republic of Tanzania have been identified and reports for these two countries are in progress.

(ii) National policies and measures for growing small and micro enterprises in LDCs

211. ***Features:*** A study of SME development strategies has been carried out in four LDCs - Burkina Faso, Nepal, Samoa and Zambia. The main areas of focus for the audit were policy coherence at the various levels of government, the availability of SME development services, the role of business associations and their interaction with the Government. The audit was carried out by national consultants on the basis of a framework for analysis and a benchmark study on the key elements of a coherent enterprise development strategy.

212. ***Output/results:*** All the country reports have been finalized and a synthesis report is being prepared for publication in 2000.

(iii) Private sector and trade development programme

213. ***Activities in 1999:*** A Seminar on Telecommunication Networks in Somalia and Somaliland was held in Dubai on 28 and 29 April 1999 and a Workshop on Somali Telecommunications Networks was held in Dubai, from 18 to 21 August 1999.

214. ***Results:*** As agreed at the Workshop on Trade and Private Sector Development in Somalia, held on 10 and 11 May 1998, several follow-up activities were initiated in various areas, including the telecommunications sector, trade assistance to chilled meat exporters, money transfer companies, traders and airline operators.

215. The project co-sponsored two events in the telecommunication sector, which brought together all telecommunication operators in Somalia. They addressed for the first time in the context of the current situation in Somalia critical issues such as interconnection, numbering codes, local call policy, training and technical assistance needs. As a basis for further work, the Somali telecommunication operators adopted a Memorandum of Understanding on the establishment of a regulatory framework for the telecommunication sector in Somalia.

(*iv*) *Enterprise networking: commodity production and trade diversification through Asian-African partnerships*

216. ***Features:*** The project is designed to network African enterprise and entrepreneurs with their counterparts in South-East Asia, specifically Indonesia, Malaysia and Thailand. This is to be accomplished through generating awareness of the growing importance of high-value, income-elastic commodities and commodities-based products the promotion of mutual contacts and the identification of joint venture opportunities and niches in trade and investment between the two regions.

217. South-South cooperation is the central characteristic of this project, which in addition is exclusively focused on the private sector. Furthermore, project activities are concretely operational in nature. The main implementation modalities are the carrying out of study visits to South-East Asia for African business executives and the promotion of return visits to Africa by prominent South-East Asian entrepreneurs.

218. ***Output/results:*** From 1 to 5 March 1999 UNCTAD in cooperation with the Governments of Malaysia and Japan organized in Kuala Lumpur a business networking forum to explore the potential for joint business ventures. It was aimed at facilitating trade and investment between South-East Asia and Africa by providing opportunities for firms to network directly with their counterparts. During the workshop some 120 one-to-one business meetings took place, leading to the immediate signing of more than 15 investment, marketing or service agreements between enterprises. While the emphasis was on agro-based products and niche markets, information technology firms were also present. Many participants stressed the need to explore trade opportunities outside traditional trading channels. Projecting positive information on Africa, particularly in terms of investment climate, was another gain from this forum.

(v) Enhancing the participation of women entrepreneurs in LDC economies

219. This project assesses and reports on the impact that successfully implemented policies have had in promoting women's entrepreneurship, and identifies those measures adopted at international conferences which have not been implemented but need to be in place for women to become and remain entrepreneurs in the formal sector. Reports on enhancing women's entrepreneurship in all nine participating countries of the project have been completed. One study on African LDCs - women entrepreneurs in Africa - was published in June 1999. In July 1999 two seminars on enhancing women's entrepreneurship were held, namely a national seminar for Burkina Faso in Ouagadougou, and a regional seminar involving 13 countries from West Africa. A further seminar is planned to be held in Nepal in 2000.

(c) Accounting reform and retraining

(i) Reform and retraining

220. ***Development context:*** Accurate and understandable financial information is necessary in order to enable Governments and investors and other users of financial information to make financial decisions. Reliable financial information is a sine qua non for increasing foreign direct investment, for stable stock exchanges and for sound banking systems. In order to attract foreign investors and partners, enterprises must be able to instil confidence via reliable financial statements.

221. ***Objectives:*** The objective of the project on capacity building in the accounting and audit profession in Azerbaijan, which was undertaken in 1999, was to retrain Azeri accounting practitioners in the principles of accounting, financial accounting, international accounting standards, managerial accounting and fundamentals of financial management, thus contributing to capacity building in the accounting and audit profession in Azerbaijan.

222. ***Features:*** This technical assistance project, like other similar activities in Azerbaijan including the project on strengthening the audit capacity, has been developed over many years in conjunction with UNCTAD's Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR). The UNCTAD programme adapts international standards for use by developing countries and countries in transition, which have many difficulties with interpretation and implementation.

223. ***Output:*** As a result of the implementation of the project activities in Azerbaijan a total of 504 accountants and auditors were trained over the last two years in modern accounting and audit practices and fundamentals of financial management. With regard to insolvency/restructuring training, about 80 trainees completed a basic insolvency course. About 30 training materials were

developed in Russian and Azeri, and various departments of the National Chamber of Auditors received technical advice to enable them to better carry out their functions.

224. *Reform of the accounting system in the Russian Federation:* In September 1999 an EU Tacis project was initiated in the Russian Federation to reform the accounting system in that country and to make it more compatible with international accounting standards. The project is being implemented by KPMG in cooperation with UNCTAD.

225. *South-Eastern European Partnership on Accountancy Development:* On 13 and 14 December 1999 the OECD, in cooperation with USAID and UNCTAD, organized in Sinaia, Romania, a working group meeting of the leading accounting and audit associations in South-Eastern Europe (SEE) to explore the merits of creating a regional accounting reform initiative. Participants agreed to create the South-Eastern European Partnership on Accountancy Development (SEEPAD), the purpose of which is to help create sound corporate governance, financial disclosure and accounting regimes in SEE.

(ii) Environmental accounting workshops

226. ***Development context:*** To improve environmental financial accounting and reporting by enterprises for the benefit of external users of the annual reports and financial statements by providing guidance both to standard-setters and to preparers of the reports. To extend the boundaries of the conventional accounting model through linking financial performance and environmental performance by standardizing environmental performance indicators. To link and expand existing networks to include non-OECD countries. To standardize the content and format of environmental reports so that they are comparable and user-friendly.

227. ***Objective:*** The immediate objective is to improve environmental financial accounting and reporting by enterprises for the benefit of the external users of the annual reports and financial statements. Such an improvement would come about by disseminating the guidance agreed by ISAR both to standard-setters and to preparers of the reports. The boundaries of the conventional accounting model should be extended by making the link between financial performance and environmental performance through standardizing environmental performance indicators (EPIs). These EPIs should also be disseminated.

228. ***Output/results:*** In collaboration with UNEP, a series of workshops were held around the world to spread the concept of environmental accounting and reporting to developing countries. The objectives of the workshops are to improve financial accounting and reporting by enterprises for the benefit of external users of financial statements. They provided guidance to both standard setters and preparers of reports. During 1999 three national and regional workshops were held, with financial support from the World Bank, in Bahrain, Malaysia and India to disseminate ISAR's

recommendations on environmental accounting. Other contributions were made by the Government of the Netherlands, the Arab Society of Certified Accountants (ASCA), the Association of Chartered Certified Accountants (ACCA), the Institute of Chartered Accountants of India (ICAI) and The Malaysian Institute of Accountants (MIA).

- *New Delhi, India (2-4 August 1999).* Over 120 senior managers and officers from various government departments and industry, practising chartered accountants, bankers and financial analysts attended a three-day workshop on environment and accounting and reporting. Dr. Narendra Nath, Minister of Education, Tourism, Power and Industry, Government of Delhi, inaugurated the three-day workshop. UNCTAD and the Institute of Chartered Accountants of India (ICAI) organized the workshop. The training manual and material will be incorporated in the syllabus of the Institute of Chartered Accountants of India. The president of ICAI expressed the need to go forward to include the ISAR guidelines in the Indian accounting standards.

- *Kuala Lumpur, Malaysia (17-18 June 1999).* Seventy participants from industry, the financial sector, accounting institutions and government ministries attended the workshop. UNCTAD, the Malaysian Institute of Accountants (MIA) and the Ministry of Science, Technology and Environment organized the workshop. A total of 110 officials attended the opening ceremonies. Speakers included the President of the Malaysian Institute of Accountants (MIA) and the Minister of Science, Technology and Environment, and closing remarks were made by the President of the Kuala Lumpur Stock Exchange (KLSE). The training manual and material will be incorporated in the syllabus of the Malaysian Institute of Accountants. Dato' Mohd Salleh Majid, President, Kuala Lumpur Stock Exchange, said that the ISAR guidelines should become part of the Stock Exchange's listing requirements. UNCTAD and MIA will advise the KLSE on integrating the guidelines. These improvements will form part of the KLSE's initiatives in pursuing its aspiration to being a world-class stock exchange in all respects.

- *Manama, Bahrain (12-13 June 1999).* Seventy participants from the Gulf Cooperation Countries (GCC) and other Arab States attended a regional workshop organized by UNCTAD, the University of Bahrain and the Arab Society of Certified Accountants (ASCA). The University of Bahrain, the Islamic University of Gaza and the University of Ain Shems (Egypt) were keen to introduce the ISAR guidelines into their curriculum. Speakers included Mr. Khalid Fakhro, Director General of Environmental Affairs at the Ministry of Housing, Municipalities and the Environment; the President of the University of Bahrain, Dr. Jassim Al Ghatam; and the President of ASCA, Talal Abu Ghazaleh. The workshop was covered extensively by the media. It was shown several times on television on the opening day.

C. DIVISION ON INVESTMENT, TECHNOLOGY AND ENTERPRISE DEVELOPMENT

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
International investment, transnationals and technology flows									
RAS/95/030	Role of foreign direct investment by small and medium-sized enterprises in developing countries in Asia	1995	1999		Completed	UNDP/IPF	290'000	275'471	659
RAS/96/A35	Report on "Sharing Asia's dynamism: Asian foreign direct investment in the European Union"	1996	1999		Completed	Thailand	75'198	74'853	388
RAS/97/A07	Regional seminar on the possible multilateral framework for investment in Asia	1997	1999		Completed	European Commission	58'233	63'744	-720
RER/95/A02	Raising awareness of foreign/direct/investment issues in Poland	1995	2000		Ongoing	Poland	14'362	1'768	1'768
RLA/95/A18	Associate expert - transnational corporations	1995	1999		Completed	Denmark	154'629	136'298	960
INT/93/A50	Transnational corporations and industrial restructuring in developing countries	1993	2000		Ongoing	Denmark/DANIDA	386'249	339'283	8'160
INT/95/A14	The new globalism and developing countries: Investments, trade and technology linkages in the 1990s	1995			Ongoing	Netherlands	61'488	52'296	8'102
INT/96/A17	Associate expert - transnational corporations	1996	1999		Completed	Germany	239'322	183'146	15
INT/96/A20	Policy-oriented case studies on interlinkages between foreign direct investment, trade and technology	1996	2000		Ongoing	Netherlands, Hong Kong	275'514	276'873	97'816
INT/97/A26	Multilateral framework on investment	1997	2000		Ongoing	Multidonors	1'921'139	1'627'538	1'180'758
INT/97/X59	Associate expert	1997	2000		Ongoing	Italy	102'272	155'317	72'083
INT/98/A36	*World Investment Report 1998*	1998	2000		Ongoing	Norway	178'968	132'982	78'197
INT/98/A40	Investment guides and capacity building for least developed countries (LDCs)	1998	2000		Ongoing	Multidonors	743'363	227'401	207'212
INT/98/X55	Associate expert	1998	2000		Ongoing	Germany	90'173	81'379	64'897
INT/99/921	Needs assessment to attract Asian FDI investment to Africa (Phase I)	1999	2000		Ongoing		300'000	51'265	51'265
	Total: International investment, transnationals and technology flows						***4'890'910***	***3'679'614***	***1'771'560***

Project number		Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
National innovation and investment policies										
ALB/93/014		Investment promotion in Albania	1994	2000		Ongoing	UNDP/IPF	433'000	413'456	25'236
EGY/97/001		Investment policy review of Egypt	1997	2000		Ongoing	UNDP/SPPD	60'000	60'570	2'758
GEO/98/011		Support to the Georgian Investment Centre	1999			Ongoing	UNDP/STS	17'000	16'078	16'078
JAM/99/A69		Scoping study on electronic commerce and the music industry in Jamaica	1999	2000		Ongoing	Canada/IDRC	10'656	3'639	3'639
MAU/98/003	*	Appui au secteur privé dans le cadre de la lutte contre la pauvreté	1998	2000		Ongoing	UNDP/IPF	54'800	10'866	10'866
PER/97/041		Revisión de políticas de inversión del Perú	1998	2000		Ongoing	Government and IPF/TRAC/CS	47'500	35'094	7'807
RUS/98/002	*	Preparatory assistance for the establishment of EMPRETEC in the Rostov region capacity building to foster SME growth and competitiveness	1998	2000		Ongoing		33'200	35'197	14'446
RUS/98/003		Adaptation of the EMPRETEC programme to the local conditions in the Russian Federation and the Rostov region in particular	1998	2000		Ongoing	UNDP/SPPD	34'000	27'799	22'349
UGA/97/014		Investment Policy Review	1997	2000		Ongoing	UNDP/SPPD	190'000	117'354	53'089
UZB/93/011	*	Investment Policy Review	1996	2000		Ongoing	UNDP	100'000	77'663	293
ZIM/99/004		Investment Policy Review	1999			Ongoing	UNDP/SPPD	70'000	47'213	47'213
RAB/96/001	*	Support to Arab States in economic and social reform: Enabling environment for foreign investment	1997	2000	IALA/UNDP	Ongoing	UNDP	200'000	194'052	27'825
INT/91/A17		Technological dynamism and R&D in exports of manufactures of developing countries	1991	1000		OPC	Sweden/SAREC	449'340	444'185	-4'490
INT/93/A44		United Nations Trust Fund on Transnational Corporations	1993		General TF	Ongoing	Multidonors	2'166'589	2'173'988	67'746
INT/96/A59		Commission on Science and Technology for Development	1997	2000		Ongoing	Netherlands	619'469	379'686	76'928
INT/96/A60		Promotion of foreign investment in developing countries	1996	2000		Ongoing	Netherlands	320'000	265'786	74'147
INT/97/A33		Support to national investment policy reviews	1997	2000		Ongoing	Switzerland	176'991	161'965	49'299
INT/97/A36		The role of publicly funded and publicly owned technologies	1997	2000		Ongoing	Rep. of Korea	132'744	109'704	8'080
INT/97/A44		Quick response window for ASIT	1997			Ongoing	Switzerland	609'947	394'200	164'392
INT/99/A11		Support to the World Association of Investment Promotion Agencies (WAIPA)	1999	2000		Ongoing	WAIPA	12'120	38'839	38'839
INT/99/A34	*	Cross-border environmental management in TNCs	1999	2000		Ongoing	Denmark/DANIDA	88'495	38'439	38'439
INT/99/A37		Support to WAIPA in providing a forum for exchange of experiences among investment promotion agencies (IPAs)	1999	2000		Ongoing	Ireland	70'052	56'593	56'593
			Total: National innovation and investment policies					**5'895'903**	**5'102'366**	**801'572**

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
Enterprise Development									
AZE/96/A53	Training of auditors	1997	2000		Ongoing	European Commission/ TACIS	1'373'988	1'045'819	130'785
AZE/99/A16	Training of auditors	1999			Ongoing	United Kingdom/Know How Fund	44'248	28'250	28'250
NAM/97/008	Entrepreneurship development	1997	2000		Ongoing	UNDP/SPPD	18'000	2'999	-8'085
SOM/97/014	Private sector and trade development programme	1998	2000		Ongoing	UNDP/SPPD	120'000	94'323	-1'271
RAF/96/A44	African commodity sector diversification through South-South cooperation	1996	2000		Ongoing	Japan	453'591	171'376	46'082
RAF/97/A52	Centres for Innovation and Enterprise Development (CIEDs) Pilot Phase	1997	2000		Ongoing	Canada/IDRC	231'400	160'073	41'726
RLA/96/A37	Empresa y tecnologia para el siglo XXI (EMPRETEC)	1996	2000		Ongoing	Spain	753'943	725'231	141'199
RLA/96/A43	Expert for EMPRETEC	1996	2000		Ongoing	Spain	121'675	120'174	2'489
INT/89/A25	Trade-related public enterprises in low-income countries	1989	1999		OPC	Italy	835'852	830'003	3'551
INT/96/A21	Technology partnership for capacity building (special gathering of policy makers and experts)	1996	1999		OPC	Finland	50'467	50'190	4'268
INT/96/A31	Promoting an integrated approach to SMEs development and joint ventures in developing countries	1996	2000		Ongoing	Italy	318'584	317'452	-1'132
INT/96/A57	Blueprint for green accounting	1997	2000		Ongoing	World Bank	382'148	295'103	99'589
INT/98/A33	Mediterranean 2000	1998	2000		Ongoing	Italy	4'424'779	840'151	674'471
INT/98/A48	Study of international cooperation networks in the area of science and technology	1998	2000		Ongoing	Austria	22'124	18'936	18'936
INT/98/X18	Associate expert	1998	2000		Ongoing	Sweden	104'509	116'733	80'656
INT/98/X49	Associate expert	1998	2000		Ongoing	Netherlands	66'048	91'307	63'920
INT/99/A42	Trade, sustainable development and gender	1999	2000		Ongoing	Sweden	15'000	15'000	15'000
INT/99/X13	Associate expert	1999	2000			France	101'304	34'429	34'429
					Total: Enterprise development		***9'437'660***	***4'957'549***	***1'374'863***
	Total: DIVISION ON INVESTMENT, TECHNOLOGY AND ENTERPRISE DEVELOPMENT						***20'224'473***	***13'739'529***	***3'947'995***

D. Division for Services Infrastructure for Development and Trade Efficiency

1. Trade infrastructure

(a) Transport

(i) Advance Cargo Information System (ACIS)

229. ***Development context:*** Inefficient transport systems have a major negative impact on economic development; this results in exorbitant transport costs, delays, pilferage and eventually loss of markets for export goods or increased prices of import goods. ACIS is designed to make transport systems more efficient by providing the required information on goods and transport equipment.

230. ***Objectives:*** ACIS provides operational and financial information so as to increase the transparency of the transport sector and enable management to identify problems with a view to finding solutions. The information provided to the shipper "live" gives the whereabouts of cargo, and the information provided to the operational management increases the efficiency of the network. Medium- and long-term investment planning is enhanced through the aggregate statistics and performance indicators that ACIS produces automatically.

231. ***Features:*** Of the four components of ACIS, designed to track, respectively, cargo on rail, at ports, on rivers and on roads, RailTracker and LakeTracker have attained a level of performance enabling them to be installed on any relevant network, while PortTracker is still under development. The Backbone Information System is also under development, and is due for commissioning in 2000.

232. ***Output/results/impact:*** 1999 saw the beginning of RailTracker implementation in Zimbabwe, Malawi and Mozambique and the development of the Railway Backbone Information System, which by the end of 2000 will link all the railways of Southern Africa. A number of national RailTracker systems are being linked (those of the United Republic of Tanzania, Zambia, Zimbawe, Malawi and Mozambique) and will then be interfaced with the South African Railways' Tracking System called SPRINT. Insofar as impact is concerned, the Tanzanian Railway Corporation undertook a study to measure the benefits accruing from RailTracker. The results were impressive:

- Between 1994 and 1999 there was a reduction of (average):
    - Wagon turn-around time from 18 to13 days;
    - Wagon detention at terminals from 8 to 4 days;
    - Daily interchange balance from 203 to 108 wagons;

- Dwell time of foreign wagons from 28 to 12 days;
- Transit times from 15 to 3 days.

- During the same period there was an increase of (average):

- Locomotive utilization from 280 to 380 kms per day;
- Wagon utilization from 73 to 120 kms per day.

233. In 1999 this same railway introduced the RailTracker Billing system and therefore financial information is now available. Similarly, the newly privatized railway in Cameroon also introduced the Billing System.

234. Work continued on RailTracker on Bulgarian Railways; similarly, the 'Light Backbone Information System is being installed between Nepal and a major Indian port. The implementation project of PortTracker in the Islamic Republic of Iran started at the end of 1999.

235. Maintenance contracts were introduced for several railways having already commissioned RailTracker, including with private operators when the State corporation signed a concessioning agreement with the private sector.

(ii) Ports, shipping and training

Rehabilitation of Somali port management

236. ***Objectives:*** The overall objective of this project is to contribute to the peace-building process in the country by promoting economic recovery and governance for about 35 per cent of its population which inhabits the north-western and north-eastern regions. The specific objectives focus on the improvement of port services to Somali traders by joint efforts of the port authorities and port communities of Berbera and Bosaso; the training of operational and administrative personnel to make those improvements sustainable; and the development of policies and strategies to foster trade in those regions.

237. ***Features/outputs/results:*** The project is a continuation of previous UNCTAD interventions that started in 1993 and is scheduled to be completed at the end of 2000. During 1999, there were two developments that had a positive impact on project execution. First, the Saudi Arabian authorities lifted the ban on importing livestock from Somalia imposed because of an outbreak of Rift Valley fever. The reopening of this market was particularly felt in the north-western region, which concentrates exports from the whole country. The result was the resumption of the exports of goats, sheep and camels, mainly through Berbera, which provide the bulk of Somali foreign income from exports, including taxes collected by the regional administration. Second, the north-eastern regional

administration decided to implement the recommendations made by the project to improve the efficiency of the port of Bosaso and to consolidate the sustainability of this administration.

238. Vocational and port training continued to be delivered by local instructors to benefit operating and administrative personnel of public and private bodies functioning in the ports of Berbera and Bosaso. A new training centre was completed in Bosaso and the number of course deliveries was increased. Statistics and financial information are now regularly collected and statements are prepared by the port authorities to help decision makers. Also, on-the-job training was provided to personnel in the Transport and Trade Ministries in Hargeisa (north-western Somalia) on how to compile relevant information as a preliminary step to attract investments.

Assisting Indonesian private sector participation in maritime and related services

239. ***Development context:*** In order to meet the requirements of globalization of manufacturing and trading, an increasing number of developing countries are currently undertaking activities to open maritime markets and to transfer ownership in maritime assets from the public to the private sector, on the basis of appropriate governmental policies that provide the private sector with the necessary tools to compete effectively in liberalized markets.

240. ***Objectives/features:*** The project comprehensively assesses national maritime transport policies and practices with the aim of improving sector competitiveness and ultimately of promoting imports/exports in the regional and international markets in a liberalized trading environment. To this end, the project has made policy proposals aimed at strengthening the framework for private sector participation in the maritime transport sector (suppliers and users) and is providing management training to local operators.

241. ***Outputs/results:*** The project has provided the Indonesian Government with a number of proposals on action to be taken to improve the framework for private sector participation in maritime transport. These proposals were discussed and approved at a national maritime sector meeting. On the basis of the lessons gained from the seminars and discussions conducted during this project, the Indonesian Government organizations and the private sector in shipping and their associations jointly elaborated plans for future action aimed at improving the operating environment of the Indonesian maritime industry.

242. In addition, three training courses for nearly 100 managers were conducted in 1998 and 1999 on strategic planning in shipping companies and port management. In this context, a pressing request for follow-up seminars has been received from shipping service providers and users as well as government organizations.

Training: Strategic planning for senior shipping managers (STRATSHIP) and on-the-job training in shipping and ports (JOBMAR)

243. ***Development context:*** A vital aspect of development is the ability to trade competitively in the world economy. Efficient maritime transport services are a prerequisite for reaching overseas markets, as the incidence of freight and insurance costs is particularly high for developing countries' exports and is a decisive factor in determining the marketability of developing countries' goods.

244. ***Objectives:*** The global shipping industry is characterized by rapid technology change, consolidation of companies, large capital investments, high risk and a critical demand for well-trained management. The goal of both STRATSHIP and JOBMAR is to improve the performance of shipping management through human resource development.

245. ***Features:*** STRATSHIP workshops generally last three working days and are based on a mixture of presentations, case studies and a computer-based management game. The main purpose of the computer simulation is to reinforce the concepts developed in the workshop, create actual decision-making experiences and upgrade management skills in a competitive environment.

246. JOBMAR emphasizes a "hands-on" approach to acquiring management skills. Experience, which cannot be simulated by traditional training methods, is gained by effectively dealing with business situations under actual commercial pressures and progress is measured by practical results.

247. ***Outputs and results:*** To date, more than 40 STRATSHIP workshops have been delivered (one in 1998 and one in 1999), and over 800 participant national counterparts trained. Evaluations by participants continue to be very positive. Specific comments emphasize the usefulness of the training in strategic planning activities, increasing competitiveness and improving overall company performance. These were particularly evidenced in the above-mentioned projects' activities.

(b) Trade fcilitation

(i) ASYCUDA

248. ***Development context:*** A well-functioning customs administration is an essential part of a country's good governance policy. Customs departments have a wide area of responsibility, including helping the Government to deal with national, regional and international policies associated with revenue collection and the combating of fraud; the import of prohibited and restricted goods; providing trade data for government analysis and planning; and physical control and examination of cargo. For a variety of reasons many administrations are unable to comply with their responsibilities and many areas are often neglected or poorly dealt with.

249. ***Objectives:*** The Automated System for Customs Data (ASYCUDA) programme is primarily concerned with the technical modernisation of customs, including the automation and clearance of goods. One of the ways in which it aims to achieve trade facilitation is speeding up the clearance process through the use of information technology and the reduction and simplification of customs documentation and procedures. It has also the objective of increasing revenue through the computerization of the customs tariff, thereby automatically calculating duties and taxes. As a complementary but nevertheless important by-product of processing customs data, a further aim is to provide both reliable and timely trade and fiscal statistics to assist Governments in their economic planning and publication of trade data.

250. ASYCUDA technical assistance projects are designed to be implemented in the shortest possible time and within the specific institutional and environmental circumstances of each administration. In addition, project implementation activities include a comprehensive training package that allows for the transfer of ASYCUDA know-how and skills to national staff, thus ensuring that the programme can be sustained by the national administration.

251. ***Features:*** ASYCUDA is a computerized customs management system covering import and export procedures, as well as all other internationally recognized customs regimes, including transit and warehousing. It takes into account international codes and standards established by ISO, WCO and the United Nations. The system has the standard features expected of a modern customs system, based on risk management, including manifest control, transit, declaration processing, accounting and selectivity. It also has a module that allows traders to input declarations directly, as well as an interface to permit the electronic exchange of data between customs and approved third parties, such as banks and airlines.

252. The ASYCUDA Implementation Strategy has been developed and refined on the basis of 10 years' experience. It has been developed to respond to the customs automation programme and is structured in three phases to ensure a low-risk, cost-effective approach that provides for national long-term sustainability. The first, pre-installation, phase requires a complete assessment of the current state of customs procedures, including their legal aspects, tariffs and infrastructure. In the second phase, the system is configured in accordance with national regulations and installed at one or two selected pilot sites, where national configurations and procedures are tested, together with the training of staff and the trading community. In the third phase the system is extended to other customs offices, in ports, border stations and free zones. The use of the system developed in the second phase at the remaining sites ensures that data flowing from operational sites to headquarters, and from headquarters to end-users, such as the Statistical Office and other government departments, is functioning correctly.

253. The first two phases take approximately 18 months and the final phase between 6 and 12 months, depending on resources and the number of sites to be installed.

254. ***Output/impact/results:*** The impact of ASYCUDA projects can be assessed by various institutional and trade facilitation benchmarks, including increased revenue, improved trade facilitation and clearance times, and the availability of reliable trade data. Some projects are more successful than others; an important factor is the commitment to change and to obtain the full support of the Government. Certain projects do not realise the full benefits of automation mainly because of resistance to the institutional and procedural reforms that the programme requires.

255. In 1999, there were 39 operational ASYCUDA projects with expenditures totalling $6,587,000. The ASYCUDA programme remains the largest technical cooperation programme within UNCTAD with over 75 user countries and four regional offices. In 1999, four new projects were signed - in El Salvador, Nicaragua, Yemen and Zimbabwe. In addition, at the request of countries and donors, a number of ad hoc pre-automation feasibility studies were undertaken.

256. ***Year 2000 compliance.*** In 1999 UNCTAD provided considerable technical support and advice, either directly or in conjunction with the established regional support centres, to assist Version 2 User countries in ensuring Year 2000 (Y2K) compliance. As a result of this action, the majority of the 55 countries, using Version 2 as their operational system, were unaffected by the changeover to 2000. However, a number of countries have requested UNCTAD to provide supplementary in-country training relating to Version 2.7, whilst others require technical assistance with additional system installations within their national installations, owing to the late delivery of equipment and proprietary software.

257. ***Project evaluations:*** As part of normal ongoing project activities ASYCUDA projects were evaluated in a number of countries in 1999, including the Islamic Republic of Iran and Jordan. In these countries ASYCUDA had been installed in the customs headquarters and in one or two pilot sites. The purpose of the evaluations was to assess the achievements under the initial implementation phase and to make recommendations for phase two, in which the system is rolled out to the other customs offices.

- *Jordan:* Phase I of the project started September 1997 as a pilot project to computerize three project sites, namely Customs Headquarters in Amman, Queen Alia International Airport and Amman Customs House. The evaluation team found the following success indicators, among others:

  Time of release: The green lane declaration takes on average two hours.
  Revenue collection: The revenue has stayed constant despite significant reductions in duty rates.
  Trade statistics: Trade statistics are more complete, accurate and uptodate.

Procedures:	Simplification and increased transparency:
	Integrated customs tariff
	Single administrative document
	Risk management techniques
	DTI, i.e. electronic lodgement of customs declaration

- *The Islamic Republic of Iran:* The ASYCUDA project started in 1997 with the objective of computerizing customs data processing at the headquarters of the Islamic Republic of Iran Customs Administration and at the Mehrebad International Airport in Tehran. This was fully achieved in the 1999, and the main purpose of the evaluation was to identify and describe areas for further modernization of customs procedures. The evaluation team made several strategic proposals concerning the organizational structure, customs procedures and the IT systems. These proposals were taken into consideration for the planning of the roll-out phase.

- *Estonia:* A number of countries began operational use of the system in 1999. Of particular interest was the project in Estonia, where the introduction of ASYCUDA sought to complement the strategic goals of the Government by the:

    - Provision of openness and transparency within the customs administration through the simplification of the trading environment in terms of formalities, documentation and procedures;

    - Introduction of modern, state-of-the-art computer technology in the field of declaration and information processing, recording and analysis; and encouraging the extended use of risk analysis and management methodologies.

258. It had been agreed with UNCTAD to introduce the ASYCUDA system at a number of selected pilot sites as a key deliverable of the project. However, during the course of the project it was decided by the customs administration that the system should be introduced at a number of pilot locations for testing purposes only and, following the satisfactory conclusion of the first phase, should be "rolled out" to all customs offices in Estonia.

259. Although some reservations and concerns were expressed by UNCTAD regarding a "big-bang" approach, it is pleasing to report that, despite some initial teething problems, the ASYCUDA system has been satisfactorily introduced and is in operation in 105 customs offices in Estonia. The system now accounts for 100 per cent of all import and export declarations, transit,

TIR and simplified import declarations and accounting functions, together with full statistical reporting and analysis.

260. ***Programme information:*** Following the first world ASYCUDA meeting in Manila in 1998, UNCTAD initiated further working party meetings in 1999 to discuss with donors and member States possible methods of partial cost recovery in respect of central support activities for selected technical cooperation programmes. As a result of these meetings and assistance from a donor, a cost recovery system was installed to record the various activities, by sector, undertaken by programme staff. The first results of the analysis and data provided by the system were made available and discussed at the working party in October 1999.

(ii) Multimodal transport and trade facilitation

261. ***Development context:*** International trade requires efficient door-to-door logistics chains, and simple trade formalities, procedures and operations. It is essential to improve the quality of international transport and logistics, adapt commercial practices to international standards and remove unnecessary trade barriers. The efficient operation of transport modes and interface facilities is a necessary precondition for effective improvement of international trade and transport operations.

262. ***Objectives:*** The objectives of UNCTAD's activities in these areas are not only to focus on improving the physical features (the "hardware") of the transport network, but also to improve the performance of transport operators and auxiliary services, to change the commercial behaviour of users, and to introduce innovative relations between public institutions and transport providers and users (the "software") of international trade and transport. An additional objective is to eliminate outdated procedures, and multiple, non-standardized documents, which result in additional transaction costs and unnecessary delays.

Output/results/impact:

263. *Nepal*. In early 1998, His Majesty's Government (HMG) of Nepal initiated the implementation of an infrastructure development project. To complement this project and to secure the best use of the future installed capacity, HMG requested UNCTAD to execute a technical assistance project aimed at the promotion of the trade and transport sector of Nepal.

264. The principal development objective of HMG's Multimodal Transit and Trade Facilitation Project is to reduce transport costs associated with Nepal's imports and exports. A second set of project objectives are to streamline trade and transit procedures and to improve the efficiency and organization of transit trade documentation and data exchange. The overall project is also aimed at further modernization of the customs clearance process at the three border stations with India.

265. In 1999, UNCTAD continued to backstop the execution of this project. Because of the substantive and administrative complexity of the project, and the necessary coordination with the World Bank in Washington, this backstopping activity consumed a fair amount of UNCTAD staff time. UNCTAD carried out one backstopping mission to Nepal, while international consultants carried out six missions and a number of thematic workshops were delivered under the direction of international and national consultants.

266. *West and Central African countries.* In January 1999, UNCTAD participated in the delivery of a workshop organized in Ouagadougou (Burkina Faso) by the "Comité de Liaison Europe-Afrique-Caraïbes-Pacifique pour la promotion des fruits tropicaux, légumes de contre-saison, fleurs, plantes ornementales et épices" (COLEACP). Within the framework of the UNCTAD-COLEACP Memorandum of Understanding for technical assistance in the areas of logistics and training, UNCTAD contributed to the discussions on the training needs regarding the management of sea-and air-freight issues for bobby beans and pineapples exported from West and Central Africa.

267. *Central American countries.* In February 1999, UNCTAD participated in three deliveries of a workshop on multimodal transport in Central America. These deliveries were in Panama, Costa Rica and Guatemala and were sponsored by the regional organization COCATRAM.

268. *ECO countries.* Within the framework of an initiative to strengthen cooperation between the Economic Cooperation Organization (ECO) and UNCTAD in building capacity in the area of trade efficiency and cooperation, including trade, transport and business facilitation and modernization of customs procedures, UNCTAD contributed to the execution of a regional project. Project activities included participation, presentation and follow-up of the recommendations made in the earlier joint UNCTAD/ECO missions to the region. UNCTAD prepared, jointly with ESCAP, a proposal for a project on trade facilitation for the ECO countries. This proposal has been approved and funds are now available for a joint ESCAP-UNCTAD execution to be initiated in 2000.

269. *Joint UNCTAD-ITC cooperation for the United Republic of Tanzania.* Within the framework of the cooperation between UNCTAD and ITC, and under inter-agency arrangements agreed upon with ITC, substantive preparation was initiated in 1999 for a study on trade facilitation issues in the United Republic of Tanzania. The outcome of study is expected to assist the Government in the implementation of the most suitable measures in the area of trade facilitation, with particular attention to the introduction of such measures in the private sector's transactions.

270. In the context of the preparation of a donor meeting on technical assistance to least developed countries, UNCTAD prepared two detailed project documents on multimodal transport and trade facilitation.

2. Business facilitation

(a) Development of competitive insurance markets

271. ***Development context:*** Insurance services, a major component of financial services, enable economic agents to protect themselves against risks and help safeguard national assets while sustaining development and trade. In many developing countries, particularly in Africa, provision of affordable, available and reliable insurance services that match the needs of a country's economic agents is often lacking. The objectives are therefore to establish competitive and efficient insurance markets and to improve access for a large part of the population to insurance services.

272. ***Objectives:*** To provide technical support, advice, guidance and training for insurance supervisory authorities, in particular for the establishment of legal and supervisory frameworks geared towards sustaining the development of competitive insurance markets. To improve the understanding and provide information on the impact of liberalization of insurance markets and on other more technical subjects to government officials and managers of insurance concerns.

273. ***Features/Output/results:*** (a) organization of training seminars and missions to improve the understanding of the role of supervisors, and the competence and technical abilities of the staff of supervisory authorities, particularly of Africa and Caribbean countries; (b) organization of conferences and seminars on the impact of liberalization and other technical subjects relevant to decision makers.

274. Workshops and seminars held in 1999: "Monitoring of reinsurance operations" for African insurance supervisors (Tunis, June; 34 participants from 16 countries); IAIS/FSB/UNCTAD seminar for African insurance supervisors (South Africa, July; 30 participants from 17 countries); "Building African insurance supervisory capacity" (Addis Ababa, October; 37 participants from 33 countries); "Regulatory and information exchange networks between Caribbean insurance supervisors" (Aruba, November; 26 participants from 15 countries/territories); Annual Conference of the African Insurance Organization held in Fez, Morocco, and particularly the meeting of the Association of African Insurance Supervisory Authorities during the conference (more than 600 delegates from all over the world).

275. *Missions/advisory services in 1999:*

Armenia. Advising on changes and improvements in the legal and regulatory framework of the Armenian insurance sector.

Mauritania: Needs assessment and a project on development of an effective insurance regulatory and supervisory framework in Mauritania. Report delivered to Government in April 1999.

Ethiopia. UNCTAD/African Insurance Organization project on software for insurance enterprises. The feasibility study was finalized in April 1999 and the project started in October 1999. Presentation of a trade finance training package (prepared in 1998) in Abu Dhabi in April 1999.

276. Conferences and seminars organized in 1999: UNCTAD/Malaysian Insurance Institute International Conference on "Challenges and Strategic Options for Emerging Insurance Markets in a Globalizing World Economy" (participants from more than 30 countries); "training trainers" seminar for heads of African insurance institutes (Ethiopia, October; 17 participants from 16 training institutes); presentation on automobile insurance in Afro-Asian countries during the Conference of the Federation of Afro-Asian Insurers and Reinsurers (Tunis, September; about 200 delegates from 35 countries).

277. ***Results:*** As liberalization speeds up, strong awareness has been generated of the importance of introducing and enforcing prudential rules, protection of consumer measures and competition rules for the development and stability of insurance and financial markets. In Africa, 18 countries have made important changes to their regulatory and supervisory framework. Since the start of activities in 1994, the number of supervisory authorities has increased from 8 to more than 30, the existing industry and regulatory regional associations have been strengthened, cooperation has been much improved and work plans have been established. As a consequence, there has been consolidation in markets, a large number of insolvent insurers have been closed, asset/liability matching is better controlled and, through improved competition in many countries, prices have come down. An African association of insurance training institutes has been established and strengthened and a work plan for the establishment of a virtual African Institute has been drawn up. Through pooling of interests, software for handling operational activities of African insurance that is affordable and tailored to the needs and environment of target clients is now under development. Modern management techniques have been introduced and new products have been developed for the needs of larger strata of population.

(b) Legal issues

278. ***Development context:*** Trade Points serve as a major tool for the integration of developing countries and SMEs worldwide into the global economy. They require legal assistance if they are to have an appropriate legal infrastructure and function efficiently.

279. ***Objectives/features:***

(a) To prepare and distribute guidelines and examples of recommended practices for Trade Points in the form of a compendium of common guidelines;

(b) To prepare draft statutes for the setting up of regional and subregional forums, and distribute them to Trade Points;

(c) To collect information on electronic commerce from international organizations and the private sector with a view to applying it to the GTPNet and preparing a paper for dissemination.

280. ***Output/results:*** The statutes of a number of Trade Points were obtained, analysed and compared, and guidelines have been prepared in the form of four different kind of models from which Trade points can choose to set up their entity: (i) Trade Point as an independent entity; (ii) Trade Point under a host institution; (iii) mother Trade Point with subsidiaries in the country; and (iv) letter of intent from the Ministry that sets up the Trade Point on its premises. Ongoing assistance was provided to around 50 Trade Points regarding the creation of their legal entity. Assistance was also given to Trade Points on the use of the name and logos of the Trade Point programme and how to file intellectual property protection regarding it at a national level, and cooperation contracts were drafted between UNCTAD and the Trade Points concerning the rights and obligations of all parties. At the regional level, assistance was provided to Trade Points initiating regional Trade Point forums, and the statutes and internal rules of the Inter-American Trade Point Forum were finalized. Information on electronic commerce was collected from international organizations and circluated to Trade Points. Also, presentations were held at Trade Point meetings on this subject.

3. Services for development

(a) Microfinance

281. ***Development context:*** Micro-credit, micro-savings and micro-insurance are essential support services to enable poor people to trade and take part in the mainstream economy. It is estimated that there are in the world around 500 million micro-entrepreneurs and about 7,000 institutions specializing in offering financial services to micro-entrepreneurs. They are identified as "micro-banks" or "micro-finance institutions" (MFIs).

282. ***Features:*** Many international organizations are working on reinforcing this nascent micro-finance "industry", mainly through direct contributions or with capacity building. UNCTAD

has an original approach, since it is acting as a catalyst to mobilize private funds and for *establishing links of mutual interest between the MFIs and the financial markets.*

283. This action, so far, has yielded good results, since $10 million have already been mobilized. It is generally agreed that a loan of $500 can create at least one job. Therefore, for every $1 million invested in micro-finance, 2,000 jobs are created or maintained in developing countries. Ten million dollars will therefore permit the creation of 20,000 jobs. With investments of $100 million, the impact on development would become extremely significant (200,000 jobs in developing countries).

Output/results:

Activities in Latin America:

284. In 1998-1999, $2 million was invested by private investors in four MFIs in Bolivia (Bancosol, FIE) and Peru (Mibanco, Crear Tacna).These investments *directly benefited at least 4,000 micro-entrepreneurs,* considering that the average loan made by receiving MFIs is approximately $500.

285. Several workshops were organized in the field to establish contacts and promote an exchange of views between MFIs and private investors. Information on national regulations and MFI's financial and institutional data were collected with a view to helping interested MFIs to participate in the virtual micro-finance market and to secure direct access to international commercial resources in the following countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Uruguay and Venezuela.

Activities in Asia

286. Contacts were established and information is being collected on micro-banks in Bangladesh, India, Indonesia, Pakistan, the Philippines and Sri Lanka. Contacts will be established shortly in Cambodia and Viet Nam. MFIs in these countries will be invited to participate in the virtual micro-finance market. It is expected that investments will be made already in the year 2000.

Activities in Africa

287. Contacts were established and information collected on micro-banks in Egypt, Kenya, the United Republic of Tanzania, South Africa and Uganda. Contacts in francophone Africa will be

established shortly. MFIs' in these countries will be invited to participate in the virtual micro-finance market.

(b) Human resources development

288. ***Development context:*** Trade in goods requires that trade-supporting services, including marketing, finance, logistics and import/export procedures, be readily available, efficient and adaptable. The terms of foreign trade and its potential to grow depend on the existence and quality of such services, which depend in turn on the people responsible for them. The skills, knowledge and attitudes of these people, as well as their operating environment, have always had a key influence on trade efficiency. Today, the diversification and growth of trade are even more in their hands as the opportunities offered by globalization, and the imperatives of new technology and legal and commercial practices, make it both more important and more difficult than before to maintain their skills, knowledge and attitudes.

289. Human resources development (HRD) is practised in order to ensure that communities have people with the characteristics needed to promote community interests. HRD includes education and recruitment, acquisition of experience, career development, training, motivation of staff at all levels in the community, and provision of a favourable environment in which they can function. The primary concern of UNCTAD has been to assist countries in the provision and improvement of training. This is done in three ways:

(i) Direct conduct of training by the secretariat;

(ii) Institution building so that communities may organize training adapted to their own needs;

(iii) Provision of model training materials so that communities have access to training of general interest.

290. Training of type 1 is described elsewhere in this document, along with other specific actions for the sectors concerned. Training action of types 2 and 3 is described in this section.

291. ***Objectives:*** The primary objective is to provide or reinforce in-country capacity for training and HRD with regard to managing trade-supporting services, so that the training needs of each sector can be identified and satisfied comprehensively through local resources or arrangements in the context of technical cooperation among developing countries. A secondary objective is to provide structured training materials that respond to immediate problems or policy issues of a widespread nature that are not amenable to local solutions. The development objective in both

cases is for countries to enhance their conditions of trade and opportunities for trade through more efficient and diversified services.

(i) TRAINMAR

292. ***Development context:*** A high proportion of all foreign trade is carried by sea; for developing countries in particular the proportion is very high, and the sea-leg has a dominant influence on their ability to participate in specific markets. Growth and diversification of trade depend in particular on efficient and creative services for maritime trade. This is nowhere more vividly displayed than in the growth of trans-shipment and export processing, providing employment and commercial opportunities where none existed before, for which efficient maritime links and responsive procedures for the reception and dispatch of goods are of paramount importance.

293. These services depend almost exclusively on the abilities of officials, managers and staff responsible for maritime trade and related services. In a country, or a smaller region served by a single port, these people form a community - sometimes known as the port community, because the port has a critical part in their work. Improving and adapting their skills, knowledge and attitudes in a fast-changing world calls for training that may come from a variety of sources. However, most training opportunities offered by industrialized countries or within assistance programmes are limited in their impact by the costs of bringing people together - in the case of group learning with specialist instructors - or by their lack of specific applicability - in all cases, including new individual-learning methods. In effect, training is always a component of change in the community and should be controlled from within the community. There is only one approach that can tackle the full extent of training needs in developing countries and countries with economies in transition: it is to build local training capacity. Such training capacity can, in particular, provide a natural complement to human resource development policies.

294. ***Objectives:*** To reinforce local training capacity with respect to services for maritime trade, enabling local training centres to provide professional training responding to management, commercial and policy needs. To generate cooperation among local training centres so they may constantly improve the quality of training provided and expand the range of training available. To increase the use of modern techniques for training, including individual learning, and to enable all interested countries to benefit through cooperation among countries. The specific development objective is to increase the efficiency of maritime trade and expand trading opportunities by sea, through professional and creative management of all aspects of the movement of goods.

295. ***Features:*** Local training capacity must be able to provide training services that cover identifying training needs, designing training solutions and ensuring practical application of the substance of the training. The whole process should be practical and professional; it should also

be an integrated part of overall HRD policies. This is what TRAINMAR provides, through two interrelated features: promotion and use of a proven methodology for training; and promotion and practice of structured cooperation among local training centres. UNCTAD has a well-tried and thoroughly documented training methodology adapted to the needs of trade-supporting services, which enables instructional techniques, curriculum development and the management of training and HRD to be conducted locally to high professional standards. Also, UNCTAD has created a system of cooperation, based on regional networking, that enables training centres or institutes to cooperate in conducting joint or parallel activities, and to share information and experience as well as training courses. Through a small Central Support Team (CST) in Geneva, UNCTAD helps local training centres to adopt and use the methodology as well as to promote HRD policies, and helps networks to develop and apply strategies by which this local experience is shared and multiplied. By these means local communities have access to training of good professional standard, both the quality and the range of training available expand steadily, and the integration of training capacity in the communities is reinforced.

296. Results are achieved through local training centres, assisted for the moment by support of the CST. During 1999 this support was concentrated mainly on:

(i) Latin America and the Caribbean, where three networks operate to provide training services independently: for logistics and transport operators in South America through the joint development and conduct of an integrated suite of training courses; for port communities of Central America, where six countries each develop, deliver and share training courses; and for the shipping community of the Caribbean islands, as well as Mexico, Colombia and Guyana, through integrated use of their resources. All centres were able to meet in December 1999, at UN-ECLAC headquarters in Santiago, Chile, to coordinate their activities and plan cooperation in programmes of ESCAP and with other regional interests.

(ii) Eastern Europe, where centres are being established through TRAINMAR in Constanza, Romania, and Batumi, Georgia, with the expectation of creating a regional network for the Black Sea region, and where the CST has helped in the delivery of training courses, in the conduct of training needs analyses, and in the provision of training materials for translation and adaptation for local use. In particular, TRAINMAR is cooperating with the German agency for technical cooperation (GTZ) in the framework of technical cooperation projects for port modernization, whereby the role of training as a complement to change is exemplified.

(iii) Asia and the Pacific, where member training centres in some eight countries conduct training independently for their respective port and shipping communities.

> Members have met periodically to prepare plans for joint actions, which in 1999 have included introducing a regional system of quality control for new courses being developed, and initiation of two projects to bring technology-based training methods into regular use for meeting the demands of an increasingly privatized maritime trade sector.

297. There was no structured cooperation among centres in Africa, although contact maintained with some of them by the CST showed them to be active individually. It is not uncommon for local centres, having acquired the ability to use TRAINMAR methods, to prefer individual action rather than to work in a network environment. However, for centres in Africa this does reflect insufficient resources for cooperation and inadequate support from the CST. Plans have been prepared to increase the level of support offered so that renewed cooperation may take place among interested centres from the year 2000 onwards.

298. ***Results and impact:*** Results are evident in two indicators: the establishment and improvement of local training capacity, and the conduct of training locally. More than 50 training centres or institutes have benefited from the TRAINMAR programme and the system of regional networks. Each of these centres has acquired competence in the conduct of professional training for management and commercial aspects of support for maritime trade. Some of these centres have chosen to continue alone and conduct training regularly for their local communities. Some 25 have maintained contact through the regional networks where they have been able to enhance their competence by shared action as well as benefiting from assistance in the use of technology in learning. Statistics gathered by the CST relate only to those centres in contact through the networks, and they are training some 8,000 persons per year. Those centres no longer in contact may be training a similar number, but this is not possible to verify. However, a single indicator is provided by a national institute in India set up directly with support from UNCTAD using the TRAINMAR approach, which has had little contact with the network since 1993 but has trained some 25,000 persons from the maritime sector over the intervening six years, including more than 8,000 staff and managers from the port industry. It is a safe assumption that the number of persons trained globally each year, partly or wholly as a result of TRAINMAR, continues to grow.

299. Impact is difficult to measure. Training is part of a mosaic of change affecting trade. It is demonstrable that local training has, in some instances, been made possible by TRAINMAR, and in many more instances has been made more effective and cheaper than it could otherwise have been. It is also demonstrable that many changes - in technology and in practices - could not be implemented without good training. It remains pure conjecture how much of each year's improvement in trade can be attributed to training in general or to TRAINMAR in particular. Whatever the conclusion reached, it is local institutes that provide the effort and the results, while TRAINMAR provides a relatively low-cost support to ensure that these efforts are sustained, mutually supportive and more effective.

(ii) UNCTAD Port Management Certificate

300. ***Development context:*** The idea of the creation of a diploma in port management for middle managers from various ports in developing countries, stems from a concern with regard to the globalization of the world economy, increasing competition, new maritime technologies and means of communication which have resulted in significant changes in the traditional port environment. In this new environment, middle managers need to be able to assume a variety of duties and responsibilities. Training thus becomes crucial.

301. ***Objectives:*** The objective of the Port Management Certificate is to train middle managers working in port community enterprises to assume different duties during their professional life. The training programme allows them to become familiar with the port system and to grasp the role and function of an innovative port that caters for the present and future needs of the port community.

302. In the context of a regional port certificate project in West Africa, the three ports of Benin, Gabon and Senegal implemented UNCTAD's training programme. Seventeen managers of Benin's Port Community (Cotonou), 12 from Dakar (Senegal) and 14 from Libreville (Gabon) successfully completed the training, presented a thesis/mémoire and were awarded UNCTAD's "Modern Port Management" Certificate.

303. A mission was undertaken to the above three ports to evaluate existing distance learning capacities and to investigate the possibilities of implementing a TRAINFORTRADE distance learning programme within the framework of the Port Certificate project.

304. In November 1999, a three-week "Training of Trainers" seminar (first session) was held in Portugal for Portuguese-speaking countries. Participants from Angola, Brazil, Cape Verde, Guinea-Bissau, Mozambique, Portugal, and Sao Tome and Principe attended this seminar.

(iii) TRAINFORTRADE

305. ***Development context:*** TRAINFORTRADE (TFT) is UNCTAD's human resources development programme intended to reinforce training capacities in the field of international trade in developing countries. It seeks to help those countries develop and enhance national or regional professional training capacities capable of dealing with the countries' economic issues, at the policy and operational levels, in both the private and public sectors. The programmes' three principal focuses are:

- Adequate training: UNCTAD utilizes a pedagogical material development methodology that takes into account the particular training needs identified in developing countries, allowing for the preparation of pedagogical supports that respond to those needs;

- Supporting the implementation of national and regional training capacities in the countries concerned. TRAINFORTRADE trains trainers and course developers who are capable of delivering, on-site, training programmes of international quality that respond to the national or regional needs of the countries concerned;

- Networking: South-South cooperation is highly encouraged within the cooperation network of training centres supported by UNCTAD and coordinated by the TFT Central Support Team. So as to best respond to the training problems and needs identified, complementarity in researching competencies is strongly encouraged, as is the exchange of pedagogical material between the countries concerned.

306. This programmes emphasizes the need to enable companies and national officers to develop external trade and support national development policies. It encompasses the complex technical, economic and juridical aspects of new international agreements that demand better mastering of the mechanisms and new instruments of international trade.

307. Following an evaluation of the programme carried out in November 1997, strategic decisions were made and two distinct lines of action were pursued in 1999. First, a number of new courses were prepared and adapted, using technical knowledge available in the secretariat and with international trade specialists. Second, local capacity building activities were undertaken, mostly in African countries, with particular emphasis on the least developed countries.

308. ***Objectives:*** The main objectives in 1999 were the following:

(a) To concentrate the work plan on a limited number of countries, focusing especially on least developed countries;

(b) To foster collaboration between divisions within UNCTAD in the implementation of training programmes by providing methodological and technical assistance and complementary support;

(c) To develop partnerships with other international organizations and institutions working in the field of international trade.

309. ***Outputs/results:*** Development of TRAINFORTRADE courses. Several new courses were being developed in 1999, most of which are now almost finalized. These include courses on the following: "The analysis of the effects of international trade policies with a global model", "The

formulation of a competition law and policy", "The implementation of a competition law and policy", "Trade and environment" and "Distance learning instructor's workshop".

310. The first three courses fit in a context of collaboration by the TRAINFORTRADE programme with UNCTAD's Competition Law and Policy and Consumer Protection Section and the Trade, Environment and Development Section of the DITC Division, whereby the TRAINFORTRADE pedagogical professionals provide methodological expertise for the development of high-quality training materials in diverse subject matter areas.

TRAINFORTRADE analysis of training needs

311. A mission was undertaken to Mozambique in order to analyze the training needs of the country in the field of trade and environment (Phase I of the TRAINFORTRADE project). The analysis will provide the basis for the implementation of a TRAINFORTRADE project in the field in Mozambique in the near future.

312. Several missions to Brazil were carried out, following a request for technical support for training in international trade for three southern states of Brazil - Parana, Santa Catarina and Rio Grande do Sul. The objects of the missions were to carry out Phase I of the TRAINFORTRADE project, i.e. an assessment of training needs in the fields of international trade and port management in those three states. On the basis of recommendations made in the report, a project document for implementing Phase II of the project - the actual training - was prepared and submitted for funding.

TRAINFORTRADE distance learning

313. In a rapidly and constantly evolving economic environment, the updating of courses has to be incorporated into a database permanently accessible from anywhere via the Internet. This approach allows more flexibility for the training and reinforces the communication and cooperation network between the various countries and regions participating, thus encouraging South-South cooperation. TRAINFORTRADE training programmes are thus now intended to be also available on-line. The pedagogical material developed therefore integrates distance learning tools and techniques and is made available on-line and accessible from local servers, with access to discussion forums and the possibility of exchanging materials and information electronically.

314. In this context, missions were undertaken to Cape Verde, Senegal, Mozambique, Benin, Burkina Faso and Mali in order to evaluate their existing distance learning capacities and to investigate the possibilities of implementing TRAINFORTRADE distance learning programmes and networks in these regions, and technical reports were prepared. In the three latter countries, a regional steering committee has been set up, grouping ministries of trade, environment, chambers

of commerce, universities as well as institutes involved with export and import. This committee will be very active in the new TRAINFORTRADE project in Benin, Burkina Faso and Mali. The project, which is financed by France, was approved in 1999 and will be implemented in the first half of 2000.

315. With the integration of modern distance learning techniques in the TRAINFORTRADE approach, the TRAINFORTRADE training capacity has been strengthened, and its website and CD-ROM courses have been updated and adapted.

316. The TRAINFORTRADE programme started discussing in 1999 the development of partnerships in the field of distance learning and international trade with several high-level European universities. Other potential partnerships, still under consideration, were with the RESAFAD in West Africa, the CNED in France, as well as with other international organizations such as the World Bank, ITC, ITU, WIPO, UNITAR and the WTO.

TRAINFORTRADE in Romania

317. This training capacity building project aims at disseminating training in the field of international trade for the public and private sector throughout the country. The project, which is based in the Institut National de Développement Economique (INDE), carried out the following activities in 1999:

(i) A series of 16 seminars attended by almost 300 participants and covering the main needs of the external trade sector;

(ii) A course developers workshop in July 1999 for the benefit of 19 participants who are now associated with the implementation of the project;

(iii) An assessment of the influence of the project on actual business, which provides an indication of the positive impact of the project at national level.

318. At the end of 1999 the capacity building objective of the project was almost achieved. A final extension of the project is planned in order to consolidate its self-sustainability.

4. The Trade Point programme

319. ***Development context:*** The Trade Point programme is the operational component of the trade efficiency initiative. Trade Points are interconnected in the Global Trade Point Network

(GTPNet),[2] a global, Internet-based trade-related network launched at the United Nations International Symposium on Trade Efficiency in 1994 as a major tool for the integration of developing countries and SMEs worldwide into the global economy.

320. At UNCTAD IX, member States confirmed that UNCTAD's primary role in this sector was to assist developing countries and countries in transition in generating trade-supporting services that were adapted to their special requirements, with a particular focus on services addressing the needs of SMEs. The secretariat was requested to consolidate the GTPNet.

321. ***Objectives:*** The main objectives are to enhance the participation of developing countries and countries with economies in transition in international trade, with special emphasis on SMEs and LDCs, to reduce transaction costs and promote better trade practices, to allow better access for traders to trade-related information and global networks, and to promote the use of international standards for electronic data interchange, such as the United Nations electronic data interchange for administration, commerce and transport (EDIFACT).

322. ***Outputs/results:*** Activities in the Trade Point programme were limited to honouring existing commitments until the 34th session of the Working Party on the Medium-Term Plan and the Programme Budget when the Trade Point Programme strategy (TD/B/WP.120 and Add.1) was discussed and endorsed. Thereafter activities focused on the implementation of the strategy.

Africa

323. At the end of 1999, there were 34 Trade Points at various stages of development in 21 African countries. New Trade Points have been launched in English-speaking Africa and efforts have been made to strengthen existing Trade Points, together with regional cooperation in order to ensure that the Trade Points become operational as soon as possible.

324. Under the ITC/UNCTAD/WTO Joint Integrated Technical Assistance Programme for Selected Least Developed and Other African Countries (JITAP), two Trade Point missions were carried out in Uganda and the United Republic of Tanzania with a view to putting in place a set of trade information services suited to the needs of both countries and providing related training to the Trade Point staff. Follow-up activities under this project will be undertaken in these two countries in the first quarter of 2000, and Trade Point activities will start in other African countries, namely Benin, Burkina Faso and Côte d'Ivoire.

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[2] Website: http://www.unicc.org/untpdc

(a) French-speaking and Portuguese-speaking Africa

325. Fourteen countries are involved in the Trade Point programme (Algeria, Benin, Burkina Faso, Cameroon, Cape Verde, Côte d'Ivoire, Gabon, Guinea-Bissau, Mali, Mauritania, Morocco, Mozambique, Tunisia and Senegal). Requests submitted by Angola, Chad, the Democratic Republic of the Congo, Djibouti and Togo for assistance are pending the availability of resources. A preliminary mission will be sent to Madagascar shortly.

326. A project to set up a Trade Point in Maputo (Mozambique) was approved in October 1999 and should be completed in mid-2000. Activities will include the training of the Trade Point staff, the purchase of equipment and development of the website.

327. Trade Point Senegal (TPS) launched in October 1999 a new product called ORBUS 2000, which aims at linking electronically all trade facilitation agents and therefore enables the business community to carry out traditional trade-related procedures virtually.

328. With regard to trade support services, the Trade Point Casablanca developed its activities thanks to the project Mediterranean 2000. It upgraded the skills of its staff, and marketed the TPC products and services worldwide through a large-scale media campaign and the creation of its website (http://www.tpcasa.org.ma). The TP staff received training in the preparation of web pages, electronic company catalogues and virtual exhibition centres on the Internet.

(b) English-speaking Africa

329. Thirteen countries have joined the Trade Point programme so far (Botswana, Egypt, Eritrea, Ethiopia, Gambia, Ghana, Kenya, South Africa, Sudan, Uganda, the United Republic of Tanzania, Zambia, Zimbabwe).

330. A Trade Point meeting between the Trade Point Directors from Egypt, the Palestinian Authority and Jordan took place in Cairo in November 1999. The meeting was aimed at enhancing the cooperation between the three Trade Points with a view to facilitating access by SMEs to comprehensive information on trade opportunities in the subregion.

331. The Ethiopian Trade Point fully benefited from the activities planned under Mediterranean 2000. During the initial phase of the project, an assessment of Ethiopian private sector needs was made in terms of trade information services. A business plan was then drafted and implemented, some basic equipment purchased, and training of Trade Point staff organized in order to comply with trade information services to be provided by the Trade Point. In the meantime, the Government had initiated the process whereby the Trade Point would be hosted by the newly created Ethiopian Export Promotion Agency (EEPA). The relocation of the Trade Point within

EEPA is expected to provide a stronger framework for both the Trade Point and the Agency to operate within, and to deliver appropriate services to the Ethiopian business community, either those elements already involved in the international trading environment or those with this potential.

332. The Sixth of October Trade Point was inaugurated in October 1999. It is located in the centre of a strategic business area where 450 companies are located. There are now seven Trade Points in Egypt, of which six are operational.

333. Most Trade Points in Africa, in particularly West African Trade Points, are facing financial constraints which prevent them from fully developing the services they could offer to the growing number of small companies in their countries. Despite their efforts and investment, they still are in a preliminary phase.

Middle East

334. The establishment of the Trade Point Palestine Ramallah (TPPR) started through a project funded by UNOPS, for which follow-up funding had been made available by Italy under the Mediterranean 2000 project. The project funded by UNOPS set up the basis for the TPPR thanks to two UNCTAD missions, which focused on the assessment of the situation regarding the market for trade information/trade transaction services, defined the location of the Trade Point, designed the services that it should provide, and prepared strategic plans to be followed to make the TPPR fully operational and of benefit to the business community of the Palestinian Authority. To ensure the development and success of the TPPR, some equipment was purchased, qualified Trade Point staff were hired and the TPPR website was designed and is available at http://www.tppalestine.com.

Latin America and the Caribean

335. No project existed in the Americas. The assistance provided was very general: for the implementation of the programme and the preparation of the 6th Inter-American Trade Point Forum meeting, held in Porto Alegre, Brazil, in April 1999. Missions were undertaken to Brazil and Argentina (April 1999) and Mexico (October 1999).

Eastern Europe

336. A mission to facilitate the establishment of a Trade Point in Budapest was carried out in February 1999. In December 1999 the management of the Trade Point Budapest undertook a study tour to the Trade Point Slovenia.

337. In June 1999 a mission was undertaken to the Trade Point Sofia with a view to clarifing the future of the project.

Asia

338. An Asia and Pacific Trade Point Forum interim meeting was held in October 1999 in conjunction with the Asia and Pacific Regional Round-table on E-commerce and Development in Colombo, Sri Lanka. Asian and the Pacific Trade Point Directors in attendance were those from Beijing, Cebu City, Fiji, Mongolia, Nepal, Shanghai, Seoul (KITA), and Seoul (KOTRA).

339. Two new Trade Points in the pipeline are in Perth, Australia, and Colombo, Sri Lanka. Trade Point Perth is formed out of the Edith Cowan University. The university has offered to link its distance learning e-commerce MBA programme to the Trade Point programme. This will offer an MBA programme recognized worldwide to Trade Point Manager and clients of the Trade Point. The new Trade Point in Colombo is hosted by the Export Development Board.

340. A high-level delegation from Trade Point Beijing came to Geneva in November 1999 and met with UNCTAD staff.

Promotion of electronic commerce

341. Pursuant to resolution 53/220 of the United Nations General Assembly, which decided to finance UNCTAD's proposal on electronic commerce from the Development Account, regional electronic commerce workshops were organized in 1999.

342. The main objectives of the regional workshops were:

(i) To provide opportunities for direct exchange of experiences among enterprises and organizations involved in the use of electronic commerce;

(ii) To enhance the knowledge and awareness of Governments, trade practitioners and entrepreneurs in developing countries regarding the economic, technical and legal aspects of e-commerce and its potential impact on the ability of developing countries to achieve greater participation in international trade;

(iiii) To identify the main obstacles faced by developing countries in their participation in e-commerce;

(iv) To propose actions and policies to be adopted by developing countries and the international community that would promote the participation of developing countries, including their SMEs, in global electronic commerce.

343. Three meetings were successfully concluded in Lima (Peru), Nairobi (Kenya) and Colombo (Sri Lanka).

344. A website has been produced to reflect the main components and results of these workshops (www.unctad.org/ecommerce).

D. DIVISION FOR SERVICES INFRASTRUCTURE FOR DEVELOPMENT AND TRADE EFFICIENCY

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
Trade infrastructure									
a. Transport									
BGD/94/A57	Railway wagon information and control system (RAILWICS)	1995	2000		Ongoing	Germany/KFW	1'042'583	890'776	32'800
BKF/92/A35	Installation de RailTracker BTI (SCFB - SICF)	1992	2000		Ongoing	Burkina Faso/World Bank	129'577	128'287	566
CMR/93/A24	Installation du système RailTracker à la REGIFERCAM	1993	2000		Ongoing	Cameroon	136'702	142'402	55'531
INS/98/011	Assisting private sector participation in maritime and related services	1998	2000		Ongoing	UNDP/IPF Japan/CS	164'000	118'319	105'094
NEP/97/A53	Promotion of the trade and transport sectors of Nepal	1998	2001	Agreement with Nepal	Ongoing	Nepal/IBR(IDA)	2'734'988	1'796'026	1'015'089
SEN/93/A23	ACIS RailTracker on SNCS	1993	1999		Completed	Senegal/World Bank	214'604	214'322	28
SOM/96/A08	Somali port management assistance	1996	1999		OPC	European Commission	550'714	478'407	-33'960
SOM/96/A47	Assistance to the Bari Regional Administration	1996	1999		OPC	European Commission	511'821	418'208	-4'212
SOM/97/012	Protection and sustainable development of Somali Marine Environment, Seaports and Coastal Areas	1997	1999		OPC	UNDP/SPPD	74'790	59'471	7'281
SOM/98/001	Ports and trade efficiency for economic recovery of Somalia	1998	2000		Ongoing	UNDP/IPF	2'627'867	1'668'835	1'161'206
THA/96/A54	Private participation in shipping and related services - sectoral analysis and development proposals	1996	1999		OPC	Japan	94'119	94'118	9'880
URT/93/A43	TCR Restructuring Project Design and Implementation of RailTracker	1993	2000		Ongoing	European Commission/(EDF)	430'797	462'442	77'270
RAF/92/A40	Création du système de saisie et de taxation informatisées compatible avec SICOF/GTI-SIAM	1993	2000		Ongoing	France	272'190	272'190	4'592
RAF/94/A70	Development and installation of ACIS in COMESA	1995	2000		Ongoing	European Commission	6'786'909	5'732'149	225'616
RAF/99/A07	ACIS RailTracker in Southern Africa (Rolling Stock Information System)	1999	2000		Ongoing	USAID	937'387	379'030	379'030
RER/95/A52	Rail Freight Traffic Management & Information System: TRACECA Programme/Tacis	1995	1999		Completed	European Commission	977'877	297'259	162

Project number		Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
DID.15.384		Assisting private participation in maritime-related services	1998	2000		Ongoing	Trust Fund for Int. Cooperation and Development	8'330	8'211	3'142
INT/83/A04		Course on Improving Port Performance (IPP)	1983	2000		Ongoing	Multidonors	457'591	489'014	5'007
INT/88/A01		STRATSHIP: Strategic planning course	1988	2000		Ongoing	Norway	206'828	201'130	359
INT/93/A22		Introduction of multimodal transport and microcomputer software programmes	1993	2000		Ongoing	Multidonors	35'860	25'471	1'467
INT/97/A47		Seminar on the new commercial role of ports and port marketing	1998	2000		Ongoing	Belgium/Administration for Development and Cooperation	86'967	69'391	-2'679
						Total: Transport		***18'482'501***	***13'945'458***	***3'043'269***
b. Trade facilitation										
ARM/94/A21		Strengthening customs administration and trade facilitation programme	1994	2000	IALA/World Bank	Ongoing	Armenia/World Bank	1'456'563	1'438'777	26'984
ARM/97/A05		ASYCUDA	1997	2000		Ongoing	Armenia/IDA	432'000	180'367	4'970
CHD/99/003		SYDONIA ++	1999	2001		Ongoing	UNDP/IPF Chad/CS	450'000	207'176	207'176
ELS/96/009	*	Modernización del sistema de aduanas	1996	2000	IALA/GOVT	Ongoing	El Salvador/CS	264'217	260'353	40'518
ELS/99/002		Modernización del sistema de aduanas - migración a SIDUNEA++	1999	2000		Ongoing	UNDP/IPF	503'940	189'757	189'757
EST/97/A45		ASYCUDA	1998	2000		Ongoing	European Commission/PHARE	623'009	535'443	223'696
ETH/94/005	*	ASYCUDA	1996	1999	IALA/GOVT	OPC	UNDP	701'686	772'952	12'107
ETH/97/013	*	Implementation of ASYCUDA (phase II)	1998	2000		Ongoing	UNDP	665'000	490'679	162'318
GAM/91/004		ASYCUDA	1992	2000		Ongoing	UNDP/IPF Gambia/CS	611'917	586'543	-1'125
GEO/94/A52		Trade facilitation	1994	2000		Ongoing	Georgia/World Bank	1'143'860	1'082'059	23'788
HON/92/018	*	SIDUNEA	1993		IALA/GOVT	Ongoing	UNDP/IPF Honduras/CS	840'327	725'045	7'495
HON/98/A31		SIDUNEA	1998	2000		Ongoing	Honduras/IDB	20'000	20'337	20'337
IRA/96/003	*	Computerization of customs	1996	2000	IALA/GOVT	Ongoing	UNDP/ Islamic Republic of Iran/CS	589'687	564'360	53'146
IRA/99/009	*	ASYCUDA (Phase II)	1999	2000		Ongoing	UNDP	263'182	54'515	54'515

Project number		Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
JOR/96/004	*	Computerization of customs procedures and data for improved revenue collection Phase I	1997	2000		Ongoing	UNDP/TRAC	925'029	838'065	297'564
LAT/98/A13		ASYCUDA	1998	2000		Ongoing	Economic Commission/PHARE	510'000	430'070	188'234
LAT/98/A44		Technical assistance to the customs administration for the implementation of ASYCUDA	1998	2000		Ongoing	European Commission/PHARE	123'526	142'988	118'898
LEB/92/017	*	Fiscal reform and administration	1993	2000	IALA/GOVT	Ongoing	UNDP/IPF	627'147	532'935	35'591
LIT/98/A14		ASYCUDA	1998	2000		Ongoing	Economic Commission/PHARE	607'894	556'694	300'864
MAT/91/A10		ASYCUDA training course	1991	1999		OPC	Multidonors	126'247	114'083	8'683
MAT/91/A25		ASYCUDA	1992	2000		Ongoing	Malta	491'648	472'163	1'191
MAU/92/002		Facilitation du commerce extérieur	1992	1999		OPC	UNDP/IPF	623'970	627'599	7'969
MAU/99/003		Appui à la modernisation des administrations financières (douanes)	1999	2000		Ongoing	UNDP/SPPD	6'558	2'729	2'729
MCD/96/A03		ASYCUDA Support Activities	1996	2000		Ongoing	European Commission/PHARE	845'133	806'269	66'320
MDV/97/002	*	Migration to ASYCUDA++	1998	2000		Ongoing	UNDP/STS	110'000	19'576	19'576
MDV/98/007		ASYCUDA++ (migration project)	1999	2000		Ongoing	UNDP/STS	45'000	10'912	10'912
MLW/98/A34		ASYCUDA	1999	2002		Ongoing	United Kingdom/DFID	1'170'796	75'469	75'469
NAM/93/A27		ASYCUDA	1993	1999	Preparatory Assistance	Completed	Namibia	101'320	104'836	3'569
NAM/94/A31		ASYCUDA	1993	2000		Ongoing	Denmark/DANIDA	1'610'838	1'562'195	30'669
NEP/96/A08		Efficiency enhancement of customs operations	1996	2000		Ongoing	Asian Development Bank	817'186	808'561	6'125
NIC/99/A52		Migración a SIDUNEA++	1999	2000		Ongoing	Nicaragua	246'000	11'506	11'506
PHI/94/A36		ASYCUDA	1994			Ongoing	Philippines/World Bank	2'467'400	2'267'417	295'516
PUE/98/A37		Modernización del sistema de Arbitrios - SIDUNEA++	1998	1999	Preparatory Assistance	OPC	Puerto Rico/ Government	22'478	22'578	12'078
ROM/95/A53		ASYCUDA	1995			Ongoing	United Kingdom/Know How Fund	1'398'000	1'191'322	196'358

Project number		Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
ROM/96/002		ASYCUDA	1996	1998		Ongoing	UNDP/IPF United Kingdom/CS	273'000	253'095	8'451
SLO/98/A25		Computerization of customs procedures and data	1998	2000		Ongoing	European Commission/PHARE	583'150	531'094	351'576
SRL/97/A51		Customs modernization programme - Migration to ASYCUDA++	1997	2000		Ongoing	Sri Lanka	321'729	194'380	18'279
UGA/96/A48		ASYCUDA	1996	2000		Ongoing	Uganda/WB, UNDP/OPS	535'347	388'551	29'092
URT/93/009		ASYCUDA	1994	1999		OPC	UNDP/IPF	935'650	938'783	14'410
URT/98/009	*	ASYCUDA	1999	2001		Ongoing	UNDP	284'000	129'165	129'165
VIE/92/012	*	Programme support management project	1998	1999		OPC	UNDP	28'000	26'324	-280
YEM/97/002	*	Strengthening economic and financial management (Phase II) ASYCUDA++ and DMFAS	1998	2000		Ongoing	UNDP	1'690'000	25'186	25'186
ZAM/97/A46		Computerization of customs procedures	1997	2000		Ongoing	United Kingdom	192'035	74'890	38'708
ZIM/99/A40		Institutional strengthening of customs data processing system	1999	2001		Ongoing	World Bank/EDPIDA	651'000	94'616	94'616
RAF/92/A37		Computerization of customs and foreign trade statistics for Eastern and Southern Africa COMESA (EUROTRACE regional project)	1992			Ongoing	European Commission/EDF	3'627'852	3'658'181	342'142
RAF/99/A14		SYDONIA v 2.7 (pays de la CEDEAO, et Centre Informatique Communautaire de la CEDEAO (CIC))	1999	2000		Ongoing	ECOWAS secretariat	194'000	87'672	87'672
RAS/89/035		Automation of customs accounting and data management	1989	2000		Ongoing	UNDP/IPF SRL MDV BGD/CS	2'003'460	2'002'192	70'416
RAS/98/A07		Computerization of customs data and external trade statistics	1998	2000		Ongoing	Australia/AusAID	3'755'442	1'524'422	1'364'663
RAS/98/A21		Customs human resource development program in Asia and the Pacific	1998	2000		Ongoing	Japan/Human Resources Trust Fund	207'515	64'352	63'015
RER/94/A28		Implementation of ASYCUDA in the Slovakia Republic and Hungary	1994	2000		OPC	United Kingdom	2'500'595	2'497'253	-1'486
INT/88/A06		Associate expert - GSP & ASYCUDA	1988	1999		Completed	Italy	416'349	416'349	418
INT/94/A49		ASYCUDA marketing activities	1994	2000		Ongoing	Multidonors	150'000	75'010	26'765
INT/95/A59		ASYCUDA	1995	1999		Completed	Denmark/DANIDA	1'241'194	1'240'886	-308
INT/96/A23		ASYCUDA	1996	1999		Completed	United Kingdom	141'388	141'388	4'232
INT/98/A17		LDC participation in World ASYCUDA Meeting (Manila, 9-10 March 1998)	1998	1999		Completed	Switzerland	149'888	75'584	-6'651
INT/98/A19		Support for ASYCUDA implementation activities	1998	2000		Ongoing	Multidonors	78'857	6'180	6'180

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
INT/98/A26	Support to the enhancement of ASYCUDA - Development of a transit module	1998	2002		Ongoing	Switzerland	1'061'947	457'748	307'196
INT/98/A42	Support for ASYCUDA implementation activities	1998			Ongoing	Multidonors	321'988	195'705	170'360
INT/99/X36	Associate expert	1999	2000			Italy	99'751	14'935	14'935
					Total: Trade facilitation		***42'885'695***	***32'820'271***	***5'874'255***
					Total: Trade infrastructure		***61'368'196***	***46'765'729***	***8'917'524***
Banking and insurance facilitation									
ECU/97/009	Investigación en el marco normativo financiero, institucional, legislativo y regulatorio	1998	2000		Ongoing	UNDP/SPPD	31'000	13'058	-948
RAF/94/A38	Développement de marchés des assurances compétitifs	1994	2000		Ongoing	Luxembourg	1'171'464	953'129	221'250
RER/97/005	Programme to support small and medium enterprise development	1998	2000		Ongoing	UNDP	19'700	6'594	3'231
INT/97/A40	Legal aspects related to Trade Points	1997	2000		Ongoing	Netherlands	256'000	164'563	74'152
					Total: Banking and insurance facilitation		***1'478'164***	***1'137'344***	***297'685***
Services for development									
a. Microfinance									
INT/95/A90	Micro-Banques	1995	2000		Ongoing	Luxembourg	604'646	581'014	66'850
INT/98/A50	Participation of key actors in the tripartite meeting on micro-finance - Partners for Development Summit	1998	2000		Ongoing	Norway	44'248	25'908	-2'214
INT/99/A33	Micro-Bank	1999	2001		Ongoing	Luxembourg	600'000	30'451	30'451
					Total: Microfinance		***1'248'894***	***637'373***	***95'087***

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
b. Human resources development									
(i) TRAINMAR									
BRA/98/A29	Préparation d'un plan de développement de ressources humaines et de formation dans le domaine portuaire et para-portuaire, et du commerce international	1998	2000		Ongoing	Belgium/Autorité Portuaire de Gand	55'042	32'936	32'936
GAB/95/A61	TRAINMAR	1996	2000		Ongoing	Gabon	57'500	59'003	16'577
ROM/94/A25	TRAINMAR: Maritime School of Costanza	1994	2000		Ongoing	European Commission	73'932	71'043	3'570
ROM/95/A06	Plan of action for TRAINMAR	1995	2000		Ongoing	European Commission/ PHARE	140'960	111'211	24'340
VIE/93/A08	TRAINMAR	1993	1999	Preparatory Assistance	Completed	France (Région Nord/Pas de Calais)	45'267	44'987	114
CAR/95/A65	TRAINMAR - Caraïbes	1995	2000		Ongoing	France	240'159	153'978	27'494
RAF/96/A49	TRAINMAR in Western/Central Africa (Certificat portuaire CNUCED)	1997	2000		Ongoing	Multidonors	358'000	230'980	98'894
RAF/98/A04	Appui TRAINMAR aux Pays Africains de Langue Officielle Portugaise (PALOP)	1998	2002		Ongoing	Portugal	1'026'549	18'640	18'640
RER/94/A08	TRAINMAR - EUROPE: Conception du séminaire stratégique sur le short sea en Europe	1994	2000		Ongoing	European Commission, Multidonors	162'830	131'323	1'404
INT/91/A13	Training in port tariff management	1991	1999		Completed	Netherlands	56'379	55'987	-30
INT/91/A15	TRAINMAR	1991			Ongoing	Multidonors	503'391	479'930	15'289
INT/94/A54	Centre TRAINMAR Belgique	1994	2000		Ongoing	Belgium	328'900	313'728	62'575
INT/96/A55	TRAINMAR	1996	2000		Ongoing	Multidonors	63'700	62'288	24'543
INT/97/A04	Conférence des Nations Unies sur le Commerce et le Développement	1997	1998		Completed	Las Palmas Port Authorities	20'212	19'880	3'420
INT/97/X31	Associate expert	1997	2000		Ongoing	France	227'940	165'737	42'697
					Total:	***TRAINMAR***	***3'360'761***	***1'951'651***	***372'463***

Project number		Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
(ii) TRAINFORTRADE										
ROM/97/A15		TRAINFORTRADE	1997	2000		Ongoing	Switzerland	283'186	253'074	78'429
RAB/96/001	*	Support to the Arab States: TRAINFORTRADE	1997	2000		Ongoing	UNDP/OPS	132'744	92'943	22'043
RAB/96/001	*	Support to the Arab States: TRAINFORTRADE	1997	2000		Ongoing	UNDP/OPS	600'000	596'670	5'724
INT/90/A18		Training in the field of foreign trade	1990	2000		Ongoing	France	797'031	767'876	[illegible]
INT/95/A40		TRAINFORTRADE: Développement de programmes de formation dans le domaine de l'Efficacité commerciale	1995	1999		OPC	Multidonors, France (Region Rhône-Alpes)	15'536	15'537	31
INT/97/A48		TRAINFORTRADE - reinforcement of the Central Support Team	1997	2000		Ongoing	Norway	141'163	140'954	43'843
						Total:	***TRAINFORTRADE***	***1'969'660***	***1'867'054***	***197'984***
					Total:	***Services for development***		***6'580'315***	***4'456'078***	***665'534***
Trade Point programme										
BUL/98/A02		Increasing the participation of Bulgarian SMEs in international trade through the establishment of a Trade Point in Sofia	1998	2000		Ongoing	Switzerland	145'100	32'130	12'064
HUN/94/003		Preparing participation of Hungary in the UNCTAD Trade Point programme	1995	2000		Ongoing	UNDP/IPF Hungary/CS	51'975	29'051	1'820
ROM/97/A02		Increasing the participation of Romanian SMEs in international trade through the establishment of a Trade Point in Bucharest	1997	2000		Ongoing	Switzerland	142'124	119'893	89'832
RAB/96/001	*	Economic and social reform: trade efficiency	1997	2000		Ongoing	UNDP/OPS	400'000	273'255	84'017
RAF/94/A33		Support to the establishment of a Trade Efficiency Network in Africa	1994	2000		Ongoing	Netherlands	116'338	113'840	576
RAS/97/760		Support to ECO Countries in Trade Efficiency and Economic Cooperation	1997	1999	Preparatory Assistance	OPC	UNDP/IPF	38'875	38'875	-1'464
INT/94/A10		Associate expert	1994	2000		Ongoing	Denmark/DANIDA	407'800	391'291	28'611
INT/94/A62		Support to the establishment and networking of Trade Points	1994	1999		OPC	USA/USAID	221'000	238'832	-94
INT/95/A67		Setting up the Global Trade Point Network	1995	2000		Ongoing	Switzerland	1'590'352	1'363'508	214'423
INT/96/A29		(1) Organizing the South African National Event: The Executive Symposium on Trade Efficiency; (2) participation of African Experts in the Lyon Summit (9-12 November 1998)	1996	1999		OPC	Switzerland	250'134	241'772	-3'370

Project number	Short title	Duration	Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
INT/98/A33	Mediterranean 2000	1998 2000		Italy	Ongoing	4'424'779	840'151	91'251
INT/98/A46	Contribution à la participation des PMA au sommet "Partenaires pour le Développement", Lyon, 9-12 November 1998	1998 2000		Ongoing	France	117'693	80'586	-35'218
ROD.15.384	Promotion of electronic commerce (UNCTAD)	1999		Ongoing	UN Development Account	1'980'000	305'099	305'099
			Total: Trade Point programme			***5'461'391***	***3'228'132***	***787'547***
	Total: DIVISION FOR SERVICES INFRASTRUCTURE FOR DEVELOPMENT AND TRADE EFFICIENCY					***74'888'086***	***55'587'283***	***10'668'290***

E. Office of the Special Coordinator for Least Developed, Landlocked and Island Developing Countries

345. ***Features:*** The major part of technical cooperation activities backstopped in 1999 by the Office of the Special coordinator took place in the context of the core project (unearmarked contributions) of the Trust Fund for LDCs. Activities undertaken included those related to the follow-up to the Integrated Framework of the High-level Meeting on Integrated Initiatives for LDCs' Trade Development; country-level preparations for the Third United Nations Conference on LDCs; support to LDCs for their preparation for the Third WTO Ministerial Meeting; and activities in favour of small island developing States (SIDS).

346. ***Outputs/results/impact:*** Activities undertaken in 1999 with regard to the follow-up to Integrated Framework of the High-level Meeting include preparation of documentation and participation in trade-related round-table meetings in Bangladesh, Gambia, Haiti and the United Republic of Tanzania. The Office of the Special Coordinator organized in June 1999 in Sun City, South Africa, a coordinating workshop for senior advisers to the Ministers of Trade from LDCs to prepare them for the Third WTO Ministerial Conference. The workshop adopted a Comprehensive New Plan of Action for trade negotiators from LDCs, which was subsequently submitted, as the official position of the LDCs, to the WTO General Council. Papers on various WTO Agreements prepared as background documents for the workshop were subsequently revised in the light of the deliberations of the workshop, and consolidated and published as a handbook: *Future Multilateral Trade Negotiations: Handbook for Trade Negotiators from Least Developed Countries* (UNCTAD/LDC/107). In 1999, the Office also helped to organize, in Beijing, China, a one-month training course for enhancement of the productive and export supply capacity of LDCs. Nineteen participants from 13 LDCs attended this training course. A census of UNCTAD activities relating to LDCs was undertaken in 1999. Its purpose was to establish a database on all LDC-related avtivities within UNCTAD and, on the basis of this information, to assess the priority areas for UNCTAD's technical cooperation activities in LDCs.

Support to individual LDCs

347. *Haiti:* UNCTAD is providing assistance to Haiti in the framework of its negotiations for acceding to CARICOM. It consists in assisting the Ministry of Trade and Industry in preparing the country's negotiations with other CARICOM members regarding exceptions to Haiti's compliance with the free trade and common external tariff arrangements implied by the accession to the CARICOM free trade zone and customs union. In 1999, a mission was undertaken to Haiti in this respect.

348. *Madagascar:* UNCTAD is providing assistance to Madagascar for the development of its external trade. Support is extended in particular with respect to competition policy and to creating

awareness of the importance of the relationship between trade and environment in a sustainable development and diversification perspective; in general, the objective is to seek greater efficiency in Madagascar's external trade. In 1999, a report was finalized on competition policy and a seminar took place on this issue.

349. *Vanuatu:* UNCTAD is providing assistance to Vanuatu to strengthen its trade efficiency, promote foreign investment and in general reduce its degree of economic vulnerability. Support consists in assisting the relevant authorities responsible for economic policies relevant to the above areas; encouraging foreign direct investment through relevant institutional capacity building; and assessing the vulnerability of the country in support of the 2000 review of the list of least developed countries. In 1999, a seminar was held on investment promotion. A report was prepared on the general framework conducive to creating an enabling environment for investment. A study on the economic vulnerability of the country was also completed.

350. With regard to island developing States, the Office of the Special Coordinator backstopped a technical cooperation project in Saint Lucia. Activities under this project are concerned with competitiveness of the manufacturing sector as well as support to the development of international financial services. UNCTAD, through the Forum Secretariat, is also implementing a technical cooperation project for the benefit of the five least developed countries of the pacific region, i.e. Kiribati, Samoa, the Solomon islands, Tuvalu and Vanuatu. Activities under this project are related to the preparation of the Third United Nations Conference on LDCs as well as preparation of a regional round-table meeting under the Integrated Framework of the High-level Meeting.

351. In the area of landlocked developing countries work on the preparation of a draft transit agreement between China, Mongolia and the Russian Federation and organization of an expert-level meeting to discuss this draft continued in 1999.

E. OFFICE OF THE SPECIAL COORDINATOR FOR LEAST DEVELOPED, LANDLOCKED AND ISLAND DEVELOPING COUNTRIES

Project number	Short title	Duration		Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
HAI/99/A22	Appui au Gouvernement Haïtien dans le contexte de l'entrée d'Haïti dans le CARICOM	1999	2000		Ongoing	France	26'550	5'479	5'479
VAN/99/A26	Amélioration de l'efficacité commerciale, encouragement de l'investissement étranger, et réduction de la vulnérabilité économique au Vanuatu	1999	2000		Ongoing	France	60'615	26'750	26'750
DID.15.385	Assisting private participation in LDCs	1999			Ongoing	Trust Fund for Int. Cooperation and Development	88'496	26'323	26'323
INT/96/A14	Follow-up and implementation of measures in favour of LDCs adopted by major global conferences	1996	2000		Ongoing	Netherlands	914'710	596'985	45'195
INT/97/902	• TCDC - Operational support to sustainable human development (SHD) (Phase I)	1998	2000	IALA/UNOPS	Ongoing	UNDP	80'000	5'096	50
INT/97/A09	Trust Fund for Least Developed Countries: core project	1997	2000		Ongoing	Multidonors	1'192'400	774'868	424'891
INT/99/A38	Seminar for experts from LDCs on vegetable science and technology	1999	2000		Ongoing	CHINA	88'496	42'890	42'890
ZZB09110	UNCTAD's Conference on LDCs, Sun City, South Africa	1999			Ongoing	UNCTAD/UNDP and South Africa	474'420	363'936	363'936
	Total: OFFICE OF THE SPECIAL COORDINATOR FOR LEAST DEVELOPED, LANDLOCKED AND ISLAND DEVELOPING COUNTRIES						**2'925'687**	**1'842'327**	**935'514**

F. Executive Direction and Management and Support Services

352. Certain technical cooperation activities are undertaken centrally in view of their interdivisional nature.

1. UNCTAD/UNDP Global Programme

353. ***Development context:*** As defining features of the world economy at the turn of the century, globalization and liberalization have profound implications for sustainable human development. A large part of the world economy has experienced progressive integration, accelerated by new technologies and by the liberalization policies pursued by virtually all Governments. Although globalization has opened up new opportunities, it has proved a mixed blessing, and it poses new challenges for development strategies and policies and, more importantly, for international economic cooperation. The main challenge facing developing countries is how to manage their integration into the global economy in such a way as to exploit the opportunities that globalization offers for achieving high and sustainable growth, and generating employment and eradicating poverty, while minimizing the risks of economic and social dislocation and marginalization. Meeting this new challenge requires not only strong national actions and strengthened national institutions, but also a broader vision of development that encompasses people-centred development and addresses its relationship with globalization.

354. ***Objectives:*** In response to these challenges, UNCTAD and UNDP launched in September 1998 a three-year global programme on Globalization, liberalization and sustainable human development. The main objective of the programme is to start a process to enhance the ability of developing countries, especially low-income countries, to manage their integration into the global economy in a manner supportive of sustainable human development.

355. ***Features:*** To achieve this objective, the programme will operate at two levels, the global level and the country level. At the global level, the programme will assist developing countries in building and strengthening their capacities to participate effectively in multilateral discussions and negotiations and will promote better understanding in the development community of the linkages between globalization and sustainable human development. At the country level, the programme will focus on assisting 10 to 12 low-income developing countries in equipping themselves with the policy and institutional tools at all significant levels - macroeconomic, sectoral (particularly in the field of trade, investment and finance) and microeconomic (especially in the field of enterprise development) - to better manage the integration of their economies into the global economy.

356. ***Output/results:*** The UNCTAD/UNDP Global Programme on Globalization, Liberalization and Sustainable Human Development pursued its activities in 1999, both at the global and the country level.

357. At the *global level*, the activities carried out were aimed at:

- Promoting a better understanding of the linkages between globalization and the dimensions of sustainable human development; and

- Enhancing the ability of developing countries to participate effectively in bilateral, regional and multilateral negotiations.

358. At the *country level*, the Global Programme has focused on eight countries (Zimbabwe, Malawi, Botswana in Africa; El Salvador, Guatemala, Honduras and Nicaragua in Latin America; and Nepal in Asia). In all these countries, in-depth assessment studies were carried out on the impact of globalization on economic, social and human development and the policy implications for meeting the future challenges of managing integration into the global economy in a manner supportive of sustainable human development.

359. The studies have underlined that the benefits and opportunities of globalization have thus far been spread very unevenly across countries and within countries among different social groups. The need for bringing about greater coherence and compatibility for economic liberalization policies and policies aimed at promoting social and human development has been stressed in all assessments.

360. In Zimbabwe, the national workshop with the participation of all stakeholders in the development process was held in December 1999. In the other countries, the workshops are scheduled to be held during the first months of 2000.

361. At the Zimbabwe national workshop, there was substantial participation by the Government, the private sector, academia, NGOs and other members of civil society. The workshop provided an opportunity to conduct a frank and open dialogue among different actors on the policy challenges faced by the country in the age of globalization. This dialogue was greatly appreciated by all participants. In this context, strengthening the institutional frameworks for conducting structural dialogue among all national stakeholders on economic and social policies on a regular basis was considered an essential element for reinforcing institutions for improving economic governance. More information on activities carried out under this project in 1999 are described in the Biannual Newsletter entitled "New Challenges" (UNCTAD/EDM/MISC.75 of 1 July 1999 and UNCTAD/EDM/MISC.86 of 2 January 2000).

2. Advisory services

362. As reported in previous years, UNCTAD's technical cooperation is supported not only from project-specific funds but also from another source, namely section 12 of the United Nations programme budget.

363. Under section 12 of the United Nations programme budget, UNCTAD received for 1999 an allotment equivalent to 36 work-months, together with travel, consultants, fees and individual fellowship funds, for the purpose of participating in interregional advisory services, together with funds for participants in seminars. Thirty-seven work-months were actually used. These resources were devoted to four main areas: (a) globalization and development; (b) international trade in goods and services and commodities issues; (c) investment, enterprise development and technology; and (d) services infrastructure for development and trade efficiency. Advisers undertook 21 missions in 1999.

364. Also under section 12, UNCTAD received for 1999 an allotment, financed from the development account, equivalent to 45 work-months of advisory services, together with travel, 12 work-months support staff and workshops/group training. Forty-eight work-months under advisory services were actually used. These resources were devoted to four main areas: (a) commercial diplomacy; (b) advice to developing countries on services infrastructure; (c) advice to least developed countries on implementation of the Integrated Framework for Technical Assistance; and (d) group training in implementation of the results of UNCTAD's expert meetings. Advisers undertook 38 missions in 1999. Activities financed from the development account in support of the promotion of electronic commerce are described in paragraphs 341 - 344 above.

Project number	Short title	Duration	Type of project	Status in 1999	Source of funds	Total budget ($)	Cumulative expenditure ($)	Expenditure 1999 ($)
	F. CROSS-DIVISIONAL ADVISORY SERVICES							
MTD12.340	Regular Programme of Technical Cooperation "savings"	1999		Ongoing	UN Programme Budget	1'170'000	928'953	928'953
UND12.340	Interregional advisory services	1988		Ongoing	UN Programme Budget	6'726'255	6'576'919	1'072'000
	Total: CROSS-DIVISIONAL ADVISORY SERVICES					***7'896'255***	***7'505'872***	***2'000'953***
	G. EXECUTIVE DIRECTION AND MANAGEMENT							
INT/94/A58	Globalization, liberalization and sustainable human development	1999 2000		Ongoing	UNDP/IPF	454'000	181'836	181'836
GLO/97/219	Globalization and liberalization	1997 2000	Preparatory Assistance	Ongoing		90'000	87'259	13'611
GLO/98/615	Globalization, liberalization and sustainable human development	1998 2001		Ongoing		1'636'363	850'720	778'047
GLO/98/B02	Globalization, liberalization and sustainable human development	1998 2001		Ongoing	UNDP	272'700	221'909	165'870
INT/90/A10	Liaison and assistance with technical cooperation donors	1990 2000		Ongoing	Italy	502'875	442'777	2'547
INT/98/901	Globalization, liberalization and sustainable human development	1999 2000		Ongoing		206'636	135'007	135'007
INT/98/A32	In-depth evaluation of UNCTAD's Trade Point programme	1998 1999		Completed	Switzerland	235'378	225'044	49
INT/98/X35	Associate expert	1998 2000		Ongoing	Netherlands	68'181	93'560	58'633
INT/98/X53	Associate expert	1998 2000		Ongoing	Italy	113'121	103'888	75'614
INT/99/A49	Civil society preparation for UNCTAD X	1999 2000		Ongoing	Multidonors	13'009	4'060	4'060
	Total: EXECUTIVE DIRECTION AND MANAGEMENT					***3'592'263***	***2'346'060***	***1'415'274***
	GRAND TOTAL:					**149'064'059**	**109'346'913**	**25'409'669**